

**Department of Social Services**  
**MO HealthNet Division**

**Fiscal Year 2009 Budget Request**

**Deborah Scott, Director**

*Printed with Governor's Recommendations*

Page No.	Dept Rank	Decision Item Name	Department Request					Governor's Recommendation				
			FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
		<b>MO HealthNet Administration</b>										
116	1	Core	263.11	4,348,530	9,155,463	2,068,147	15,572,140	263.11	4,191,030	8,997,963	2,068,147	15,257,140
		General Structure Adjustment						0.00	116,636	142,997	44,042	303,675
128	21	SB 577 MO HealthNet Program Implement	0.00	379,025	379,025	0	758,050	0.00	379,025	379,025	0	758,050
133	37	PACE Kansas City Expansion	0.00	50,000	50,000	0	100,000	0.00	0	0	0	0
105	999	SB 16 Comprehensive Eye Exams						0.00	50,000	50,000	0	100,000
		<i>Total</i>	263.11	4,777,555	9,584,488	2,068,147	16,430,190	263.11	4,736,691	9,569,985	2,112,189	16,418,865
		<b>Health Care Technology</b>										
139	1	Core	0.00	0	0	2,500,000	2,500,000	0.00	0	0	2,500,000	2,500,000
148	36	Health Care Tech Initiatives	0.00	2,500,000	2,500,000	0	5,000,000	0.00	0	2,500,000	2,500,000	5,000,000
		<i>Total</i>	0.00	2,500,000	2,500,000	2,500,000	7,500,000	0.00	0	2,500,000	5,000,000	7,500,000
		<b>Clinical Services Program Management</b>										
158	1	Core	0.00	2,301,123	5,777,788	5,085,805	13,164,716	0.00	2,301,123	5,777,788	7,260,805	15,339,716
1	7	Health Care Tech Fund Replacement	0.00	2,175,000	0	0	2,175,000	0.00	0	0	0	0
		<i>Total</i>	0.00	4,476,123	5,777,788	5,085,805	15,339,716	0.00	2,301,123	5,777,788	7,260,805	15,339,716
		<b>Women &amp; Minority Health Care Outreach</b>										
168	1	Core	0.00	546,125	568,625	0	1,114,750	0.00	546,125	568,625	0	1,114,750
		<i>Total</i>	0.00	546,125	568,625	0	1,114,750	0.00	546,125	568,625	0	1,114,750
		<b>Revenue Maximization Unit</b>										
175	1	Core	4.00	0	97,453	97,453	194,906	4.00	0	97,453	97,453	194,906
		General Structure Adjustment						0.00	0	2,680	2,680	5,360
		<i>Total</i>	4.00	0	97,453	97,453	194,906	4.00	0	100,133	100,133	200,266
		<b>TPL Contracts</b>										
182	1	Core	0.00	0	3,000,000	3,000,000	6,000,000	0.00	0	3,000,000	3,000,000	6,000,000
		<i>Total</i>	0.00	0	3,000,000	3,000,000	6,000,000	0.00	0	3,000,000	3,000,000	6,000,000
		<b>Information Systems</b>										
192	1	Core	0.00	5,697,417	54,791,039	5,660,000	66,148,456	0.00	5,697,417	54,791,039	5,660,000	66,148,456
		<i>Total</i>	0.00	5,697,417	54,791,039	5,660,000	66,148,456	0.00	5,697,417	54,791,039	5,660,000	66,148,456
		<b>Managed Care Enrollment</b>										
201	1	Core	0.00	0	1,910,113	0	1,910,113	0.00	157,500	2,067,613	0	2,225,113
		<i>Total</i>	0.00	0	1,910,113	0	1,910,113	0.00	157,500	2,067,613	0	2,225,113
		<b>Health Care Home Enrollment</b>										
209	1	Core	0.00	0	0	0	0	0.00	0	0	0	0
		<i>Total</i>	0.00	0	0	0	0	0.00	0	0	0	0
		<b>MHN Participant Case Mngment</b>										
216	1	Core	0.00	6,256,176	9,988,257	0	16,244,433	0.00	6,322,014	9,988,257	0	16,310,271
223	26	MHN Participant Case Mngment	0.00	10,290,702	13,889,878	0	24,180,580	0.00	9,600,702	13,199,878	0	22,800,580
		<i>Total</i>	0.00	16,546,878	23,878,135	0	40,425,013	0.00	15,922,716	23,188,135	0	39,110,851

Page No.	Dept Rank	Decision Item Name	Department Request					Governor's Recommendation				
			FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Pharmacy												
231	1	Core	0.00	163,297,139	468,567,613	92,429,133	724,293,885	0.00	148,349,294	444,687,518	114,179,133	707,215,945
242	6	Replace Life Science Trust Fund	0.00	21,750,000	0	0	21,750,000	0.00	0	0	0	0
9	10	Caseload Growth	0.00	142,840	242,588	0	385,428	0.00	0	0	0	0
25	12	Pharmacy PMPM Increase	0.00	33,995,828	57,736,034	0	91,731,862	0.00	8,809,046	44,796,484	17,500,000	71,105,530
42	19	SB 577 Women's Health Program Expand	0.00	343,900	981,852	0	1,325,752	0.00	343,370	982,382	0	1,325,752
61	22	FMAP	0.00	0	5,035,720	0	5,035,720	0.00	0	5,483,565	0	5,483,565
98	999	Tobacco Cessation						0.00	0	3,050,775	1,791,725	4,842,500
		Total	0.00	219,529,707	532,563,807	92,429,133	844,522,647	0.00	157,501,710	499,000,724	133,470,858	789,973,292
Pharmacy - Medicare Part D Clawback												
249	1	Core	0.00	196,269,134	1	0	196,269,135	0.00	192,269,134	1	0	192,269,135
255	17	Clawback Increase	0.00	14,064,297	0	0	14,064,297	0.00	0	0	0	0
		Total	0.00	210,333,431	1	0	210,333,432	0.00	192,269,134	1	0	192,269,135
Missouri Rx Plan												
261	1	Core	0.00	0	0	19,602,166	19,602,166	0.00	0	0	19,602,166	19,602,166
		Total	0.00	0	0	19,602,166	19,602,166	0.00	0	0	19,602,166	19,602,166
Physician												
269	1	Core	0.00	162,026,370	298,768,190	4,194,685	464,989,245	0.00	161,750,890	298,768,190	4,194,685	464,713,765
9	10	Caseload Growth	0.00	787,688	1,337,754	0	2,125,442	0.00	0	0	0	0
42	19	SB 577 Women's Health Program Exp	0.00	115,352	329,334	0	444,686	0.00	115,174	329,512	0	444,686
61	22	FMAP	0.00	0	3,583,751	0	3,583,751	0.00	0	3,859,231	0	3,859,231
78	999	Physicians Rate Increase						0.00	9,834,451	16,745,147	0	26,579,598
105	999	SB 16 Comprehensive Eye Exams						0.00	38,508	65,569	0	104,077
98	999	Tobacco Cessation						0.00	0	2,393,685	1,405,815	3,799,500
		Total	0.00	162,929,410	304,019,029	4,194,685	471,143,124	0.00	171,739,023	322,161,334	5,600,500	499,500,857
Dental												
283	1	Core	0.00	2,831,223	6,351,982	919,935	10,103,140	0.00	2,825,149	6,351,982	919,935	10,097,066
9	10	Caseload Growth	0.00	13,447	22,837	0	36,284	0.00	0	0	0	0
42	19	SB 577 Women's Health Program Exp	0.00	98	279	0	377	0.00	98	279	0	377
54	20	SB 577 Dental/Optometric Adult Ben	0.00	6,102,508	10,364,054	0	16,466,562	0.00	6,092,628	10,373,934	0	16,466,562
61	22	FMAP	0.00	0	60,241	0	60,241	0.00	0	66,315	0	66,315
90	999	Dental Rate Increase						0.00	1,020,388	1,737,418	0	2,757,806
78	999	Physicians Rate Increase						0.00	139,725	237,909	0	377,634
		Total	0.00	8,947,276	16,799,393	919,935	26,666,604	0.00	10,077,988	18,767,837	919,935	29,765,760
Premium Payments												
292	1	Core	0.00	55,833,609	96,289,603	0	152,123,212	0.00	51,243,215	88,878,539	0	140,121,754
9	10	Caseload Growth	0.00	436,604	741,496	0	1,178,100	0.00	0	0	0	0
300	14	Medicare Premium Increase	0.00	7,426,654	12,600,948	0	20,027,602	0.00	2,417,491	4,099,887	0	6,517,378
61	22	FMAP	0.00	0	1,433,026	0	1,433,026	0.00	0	1,523,420	0	1,523,420
		Total	0.00	63,696,867	111,065,073	0	174,761,940	0.00	53,660,706	94,501,846	0	148,162,552
Nursing Facilities												
309	1	Core	0.00	149,309,763	351,428,739	61,127,432	561,865,934	0.00	144,056,408	343,103,100	61,127,432	548,286,940
42	19	SB 577 Women's Health Program Exp	0.00	294	838	0	1,132	0.00	293	839	0	1,132
61	22	FMAP	0.00	0	6,094,887	0	6,094,887	0.00	0	6,439,365	0	6,439,365
316	999	Nursing Facility Rate Increase						0.00	9,685,617	16,491,726	0	26,177,343
		Total	0.00	149,310,057	357,524,464	61,127,432	567,961,953	0.00	153,742,318	366,035,030	61,127,432	580,904,780

Page No.	Dept Rank	Decision Item Name	Department Request					Governor's Recommendation				
			FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Home Health - PACE												
323	1	Core	0.00	4,300,484	7,487,536	159,305	11,947,325	0.00	4,293,263	7,487,536	159,305	11,940,104
9	10	Caseload Growth	0.00	1,588	2,697	0	4,285	0.00	0	0	0	0
42	19	SB 577 Women's Health Program Exp	0.00	4,700	13,420	0	18,120	0.00	4,693	13,427	0	18,120
61	22	FMAP	0.00	0	86,643	0	86,643	0.00	0	93,864	0	93,864
331	999	In-Home Rate Increase						0.00	68,428	116,512	0	184,940
		Total	0.00	4,306,772	7,590,296	159,305	12,056,373	0.00	4,366,384	7,711,339	159,305	12,237,028
NF Electronic Pilot Project												
337	1	Core	0.00	0	0	450,000	450,000	0.00	0	0	450,000	450,000
		Total	0.00	0	0	450,000	450,000	0.00	0	0	450,000	450,000
Rehab & Specialty Services												
346	1	Core	0.00	63,252,544	125,203,105	1,026,626	189,482,275	0.00	63,252,544	125,671,173	1,026,626	189,950,343
9	10	Caseload Growth	0.00	29,961	50,883	0	80,844	0.00	0	0	0	0
356	15	Hospice Rate Increase	0.00	155,677	264,479	0	420,156	0.00	155,458	264,698	0	420,156
42	19	SB 577 Women's Health Program Exp	0.00	12,338	35,226	0	47,564	0.00	12,319	35,245	0	47,564
54	20	SB 577 Dental/Optometric Adult Ben	0.00	310,126	526,695	0	836,821	0.00	309,624	527,197	0	836,821
61	22	FMAP	0.00	10,932,712	0	0	10,932,712	0.00	10,464,644	0	0	10,464,644
361	33	Electronic PA System for DME Services	0.00	1,250,000	1,250,000	0	2,500,000	0.00	0	1,250,000	1,250,000	2,500,000
105	999	SB 16 Comprehensive Eye Exams						0.00	421,567	717,803	0	1,139,370
		Total	0.00	75,943,358	127,330,388	1,026,626	204,300,372	0.00	74,616,156	128,466,116	2,276,626	205,358,898
NEMT												
368	1	Core	0.00	11,785,206	26,246,271	0	38,031,477	0.00	11,766,125	26,246,271	0	38,012,396
9	10	Caseload Growth	0.00	8,256	14,021	0	22,277	0.00	0	0	0	0
375	16	NEMT Rate Increase	0.00	906,951	1,540,300	0	2,447,251	0.00	905,483	1,541,768	0	2,447,251
61	22	FMAP	0.00	0	228,962	0	228,962	0.00	0	248,043	0	248,043
		Total	0.00	12,700,413	28,029,554	0	40,729,967	0.00	12,671,608	28,036,082	0	40,707,690
Managed Care												
383	1	Core	0.00	201,871,966	621,785,281	166,474,015	990,131,262	0.00	201,272,368	621,785,281	167,479,824	990,537,473
404	5	Provider Tax GR Replacement	0.00	2,005,809	0	0	2,005,809	0.00	0	0	0	0
9	10	Caseload Growth	0.00	1,176,715	1,998,447	0	3,175,162	0.00	0	0	0	0
35	13	Managed Care Rate Increase	0.00	35,859,504	60,901,166	0	96,760,670	0.00	35,801,448	60,959,222	0	96,760,670
54	20	SB 577 Dental/Optometric Adult Ben	0.00	2,714,424	4,609,980	0	7,324,404	0.00	2,710,029	4,614,375	0	7,324,404
61	22	FMAP	0.00	0	7,193,178	0	7,193,178	0.00	0	7,792,776	0	7,792,776
90	999	Dental Rate Increase						0.00	1,211,123	2,062,182	0	3,273,305
78	999	Physicians Rate Increase						0.00	6,928,609	11,797,362	0	18,725,971
		Total	0.00	243,628,418	696,488,052	166,474,015	1,106,590,485	0.00	247,923,577	709,011,198	167,479,824	1,124,414,599
Hospital Care												
411	1	Core	0.00	29,326,956	430,794,152	214,757,257	674,878,365	0.00	28,981,850	430,794,152	214,957,257	674,733,259
1	7	Health Care Tech Fund Replacement	0.00	200,000	0	0	200,000	0.00	0	0	0	0
9	10	Caseload Growth	0.00	1,486,393	2,524,381	0	4,010,774	0.00	0	0	0	0
42	19	SB 577 Women's Health Program Exp	0.00	502,533	1,434,755	0	1,937,288	0.00	501,758	1,435,530	0	1,937,288
61	22	FMAP	0.00	0	3,077,840	0	3,077,840	0.00	0	3,422,946	0	3,422,946
421	24	Hospital FRA Pickup - Insure Missouri	0.00	0	0	14,400,000	14,400,000	0.00	0	0	14,400,000	14,400,000
		Total	0.00	31,515,882	437,831,128	229,157,257	698,504,267	0.00	29,483,608	435,652,628	229,357,257	694,493,493



Page No.	Dept Rank	Decision Item Name	Department Request					Governor's Recommendation				
			FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Tier 1 Safety Net Hospitals												
427	1	Core	0.00	0	23,000,000	0	23,000,000	0.00	0	8,000,000	0	8,000,000
		Total	0.00	0	23,000,000	0	23,000,000	0.00	0	8,000,000	0	8,000,000
FQHC Distribution												
434	1	Core	0.00	9,000,000	0	5,000,000	14,000,000	0.00	9,000,000	0	5,000,000	14,000,000
		Total	0.00	9,000,000	0	5,000,000	14,000,000	0.00	9,000,000	0	5,000,000	14,000,000
Rural Health Clinics												
441	1	Core	0.00	530,000	872,859	0	1,402,859	0.00	530,000	872,859	0	1,402,859
		Total	0.00	530,000	872,859	0	1,402,859	0.00	530,000	872,859	0	1,402,859
Federal Reimbursement Allowance												
448	1	Core	0.00	0	0	710,300,000	710,300,000	0.00	0	0	710,300,000	710,300,000
		Total	0.00	0	0	710,300,000	710,300,000	0.00	0	0	710,300,000	710,300,000
Women's Health Services												
457	1	Core	0.00	271,508	1,787,857	198,167	2,257,532	0.00	271,508	1,787,857	198,167	2,257,532
9	10	Caseload Growth	0.00	42,682	345,339	0	388,021	0.00	0	0	0	0
25	12	Pharmacy PMPM Increase	0.00	13,595	109,997	0	123,592	0.00	10,538	85,264	0	95,802
42	19	SB 577 Women's Health Program Expand	0.00	1,010,641	8,177,001	0	9,187,642	0.00	1,010,641	8,177,001	0	9,187,642
61	22	FMAP	0.00	0	460,770	0	460,770	0.00	0	460,770	0	460,770
78	999	Physicians Rate Increase						0.00	166,656	1,348,402	0	1,515,058
		Total	0.00	1,338,426	10,880,964	198,167	12,417,557	0.00	1,459,343	11,859,294	198,167	13,516,804
S-CHIP												
466	1	Core	0.00	25,921,381	115,459,513	20,592,804	161,973,698	0.00	25,858,556	115,459,513	20,592,804	161,910,873
25	12	Pharmacy PMPM Increase	0.00	411,872	1,175,916	0	1,587,788	0.00	318,769	911,998	0	1,230,767
35	13	Managed Care Rate Increase	0.00	1,734,607	4,952,389	0	6,686,996	0.00	1,731,932	4,955,064	0	6,686,996
473	18	SB 577 - SCHIP Expansion	0.00	1,241,456	3,544,420	0	4,785,876	0.00	1,239,542	3,546,334	0	4,785,876
61	22	FMAP	0.00	0	807,715	0	807,715	0.00	0	870,540	0	870,540
90	999	Dental Rate Increase						0.00	253,851	726,269	0	980,120
78	999	Physicians Rate Increase						0.00	868,941	2,486,042	0	3,354,983
105	999	SB 16 Comprehensive Eye Exams						0.00	19,089	54,615	0	73,704
		Total	0.00	29,309,316	125,939,953	20,592,804	175,842,073	0.00	30,290,680	129,010,375	20,592,804	179,893,859
Insure Missouri												
479	1	Core	0.00	19,400,000	8,235,000	41,700,001	69,335,001	0.00	19,400,000	8,235,000	41,700,001	69,335,001
486	23	Insure Missouri	0.00	27,400,000	248,765,000	71,400,000	347,565,000	0.00	27,400,000	248,765,000	71,400,000	347,565,000
		Total	0.00	46,800,000	257,000,000	113,100,001	416,900,001	0.00	46,800,000	257,000,000	113,100,001	416,900,001
Nursing Facility FRA												
493	1	Core	0.00	0	0	213,840,231	213,840,231	0.00	0	0	213,840,231	213,840,231
		Total	0.00	0	0	213,840,231	213,840,231	0.00	0	0	213,840,231	213,840,231
DESE Services												
501	1	Core	0.00	69,954	33,299,954	0	33,369,908	0.00	69,954	33,299,954	0	33,369,908
		Total	0.00	69,954	33,299,954	0	33,369,908	0.00	69,954	33,299,954	0	33,369,908

Page No.	Dept Rank	Decision Item Name	Department Request					Governor's Recommendation				
			FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
State Medical												
509	1	Core	0.00	26,844,059	0	888,660	27,732,719	0.00	26,778,221	0	888,660	27,666,881
25	12	Pharmacy PMPM Increase	0.00	1,067,977	0		1,067,977	0.00	827,837	0	0	827,837
90	999	Dental Rate Increase							14,638	0	0	14,638
78	999	Physicians Rate Increase							2,261,618	0	0	2,261,618
105	999	SB 16 Comprehensive Eye Exams							6,087	0	0	6,087
		Total	0.00	27,912,036	0	888,660	28,800,696	0.00	29,888,401	0	888,660	30,777,061
MO HealthNet Supplemental Pool												
517	1	Core	0.00	0	24,107,486	11,590,599	35,698,085	0.00	0	24,107,486	11,590,599	35,698,085
		Total	0.00	0	24,107,486	11,590,599	35,698,085	0.00	0	24,107,486	11,590,599	35,698,085
Total MO HealthNet Core												
			267.11	1,141,290,667	2,724,973,880	1,583,662,421	5,449,926,968	267.11	1,111,183,688	2,670,825,150	1,608,793,230	5,390,802,068
Total MO HealthNet Division												
			267.11	1,332,345,421	3,196,450,042	1,669,462,421	6,198,257,884	267.11	1,255,452,162	3,175,057,421	1,719,087,492	6,149,597,075





**NEW DECISION ITEM  
RANK: 7**

Department: Social Services  
Division: MO Healthnet  
DI Name: Health Care Technology Fund Replacement

Budget Unit: 90516C, 90552C  
DI#: 1886003

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	2,375,000			2,375,000
TRF				
Total	<u>2,375,000</u>			<u>2,375,000</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				<u>0</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input checked="" type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: This funding is requested for the replacement of Health Care Technology Funds.*

The following initiatives were funded by one time Health Care Technology Funds (HCTF). These decision item requests GR funding to replace HCTF.

The Governor's recommendation continues funding for the Health Care Technology fund. The Governor recommends a \$15.0 million transfer from GR to the HCTF to support these expenditures.

### CyberAccess

CyberAccess is an Electronic Health Record (EHR) program for MO HealthNet participants which is available to their healthcare providers. This tool allows physicians to prescribe electronically, view diagnosis data, paid claims data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containment initiatives and electronic health records. Future enhancements will allow providers to complete EPSDT screening forms on-line and view lab data results for individual patients in the web based tool. The Division is also moving forward with efforts to maximize interoperability of health information systems to allow information to be shared electronically between CyberAccess and MO HealthNet providers' practice-based electronic health and medical records systems.

CyberAccess is the foundation for all of the Division's transparent interoperable pharmacy fiscal and clinical edits, psychology clinical reviews, medical pre-certifications, and DME pre-certifications. Without this funding, the cost savings for these initiatives would be lost and a significant increase in expenditures would result in all service appropriation lines.

### Business and Clinical Intelligence Tool (BCIT)

The BCIT will allow the division to add drill down monitoring at participant level to support the CCIP for providers and as a decision support/contract monitoring for the division clinical staff.

### Home Telemonitoring

Home Telemonitoring services allow monitoring from the MO HealthNet participant's home using equipment which transmits information into a call center. The information includes but is not limited to weight, blood pressure, pulmonary peak flow, and blood sugar. The selected information is chosen on the basis of the patient's disease(s). This service is integrated with CCIP.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

CyberAccess, The Business and Clinical Intelligence Tool (BCIT) and Home Telemonitoring are ongoing initiatives. CyberAccess and Home Telemonitoring were funded by the Health Care Tech Fund (HCTF) in FY07 and FY08. BCIT was funded by the HCTF in FY08. GR funding is being requested in the following cores to continue these initiatives:

**Clinical Services Program Management:**

CyberAccess	1,875,000
Business & Clinical	300,000
Total Clinical Srv Program Mgmt	2,175,000

**Hospital:**

Home Telemonitoring	200,000
Total Need	2,375,000

	Total	GR	Federal
Clinical Services Program Management	2,175,000	2,175,000	0
Hospital	200,000	200,000	0
Total Request	\$2,375,000	\$2,375,000	\$0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	2,375,000						2,375,000		
Total PSD	2,375,000		0		0		2,375,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	2,375,000	0.0	0	0.0	0	0.0	2,375,000	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS

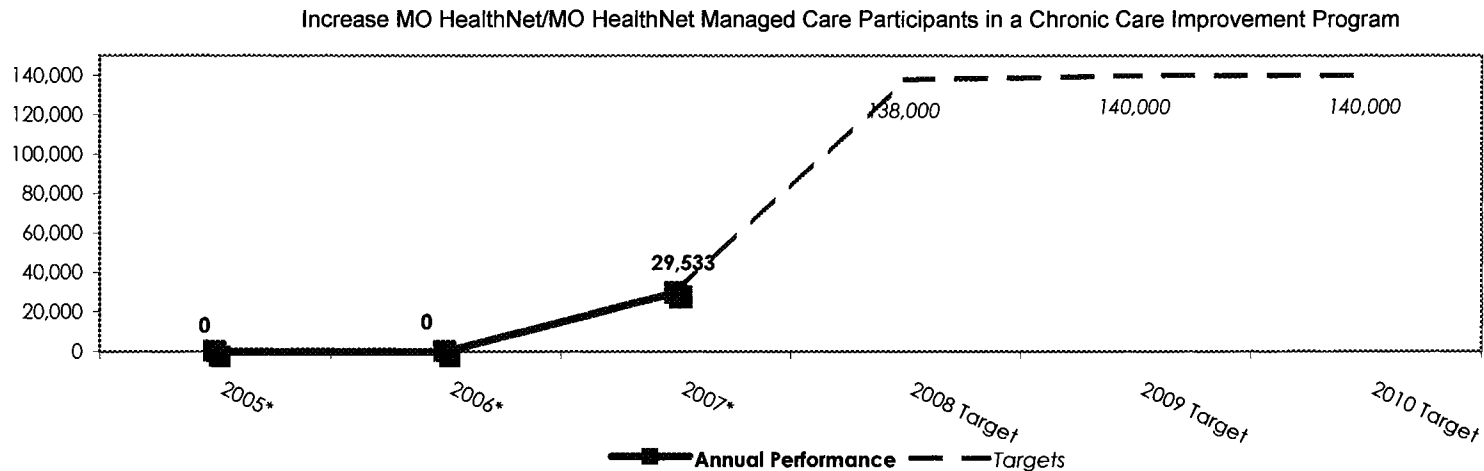
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0



**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

## **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

Continue statewide identification of participants with targeted disease states.

Continue outreach efforts through participant mailings and direct promotion by their current practitioners.

Dedicated help desk for participant support.

Identify providers currently serving the targeted population to invite them to participate in the Chronic Care Improvement Program.

Make personal visits with providers to explain the program and assist with enrollment paperwork.

Dedicated help desk for provider support.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CLINICAL SRVC MGMT</b>								
Health Care Tech Fund Replacme - 1886003								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,175,000	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,175,000	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,175,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,175,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
Health Care Tech Fund Replacme - 1886003								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	200,000	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	200,000	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$200,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$200,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00



**NEW DECISION ITEM  
RANK: 10**

Department: Social Services  
Division: MO HealthNet  
DI Name: MO HealthNet Caseload Growth

Budget Unit: 90541C, 90544C, 90546C, 90547C, 90564C, 90550C,  
90561C, 90551C, 90552C, 90554C  
DI#: 1886006

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	4,126,174	7,280,443		11,406,617
TRF				
<b>Total</b>	<b>4,126,174</b>	<b>7,280,443</b>		<b>11,406,617</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Fed	Other	Total
PS				
EE				
PSD				
TRF				
<b>Total</b>				<b>0</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Growth within current eligibility guidelines	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: To provide for anticipated caseload increases in existing MO HealthNet programs.

This funding is requested to provide for anticipated caseload changes of existing MO HealthNet programs. This does not include any expansion due to changes in any eligibility guidelines. The Federal Authority is Social Security Act 1902(a)(10), 1903(w), 1905, 1915(d), 1915(b), 1923(a)-(f), 2100 and 1115 waiver; 42 CFR 406, 410, 412, 418, 431, 440, 441 subpart B and 434 subpart C. The State Authority is 208.151, 208.152, 208.153, 208.166, 167.600 thru 167.621, 191.831 RSMo.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Each eligible category is forecasted individually. The analysis utilized is listed below:

**QMB Only - FFS Eligibles**

- Number of eligibles is increased at 10.25% per year (estimated 1,050 new eligibles) based on historical trends.
- Costs per eligible per month are adjusted by program based on historical trends. Managed Care is excluded due to eligible category involved.
- Total costs for growth in this eligibility group are estimated at \$1.6 million.

**Women's Health Services (1115 Waiver - Adults)**

- Number of eligibles is increased at 14.04% per year (estimated 2,731 new eligibles) based on historical trends.
- Costs per eligible per month are adjusted by program based on historical trends.
- Total costs for growth in this eligibility group are estimated at \$388,021.

**Medicaid for Pregnant Women (MPW)**

- Number of eligibles is increased at 7.92% per year (estimated 569 new FFS and 974 new MC+ eligibles) based on historical trends.
- Costs per eligible per month are adjusted by program based on historical trends.
- Total costs for growth in this eligibility group are estimated at \$9.4 million.

Total program costs are calculated by adding the program costs for each eligibility category. The total of all new eligibles for the different categories is 5,324: 4,350 new FFS and 974 new MC+ eligibles. Anticipated caseload growth results in the following request:

FY 09 Department Request:

<u>Program</u>	<u>Total</u>	<u>GR</u>	<u>Federal</u>
Pharmacy - elderly & disabled	882	327	555
Physician - elderly & disabled	198,954	73,732	125,222
Premium Payments - elderly & disabled	1,178,100	436,604	741,496
Home Health - elderly & disabled	1,008	374	634
Rehab & Specialty - elderly & disabled	34,442	12,764	21,678
NEMT - elderly & disabled	10,288	3,813	6,475
Hospital - elderly & disabled	175,896	65,187	110,709
<i>subtotal elderly &amp; disabled</i>	<i>1,599,570</i>	<i>592,801</i>	<i>1,006,769</i>
Pharmacy - adult & kids	384,546	142,513	242,033
Physician - adult & kids	1,926,488	713,956	1,212,532
Dental - adult & kids	36,284	13,447	22,837
Premium Payments - adult & kids	0	0	0
Home Health - adult & kids	3,277	1,214	2,063
Rehab & Specialty - adult & kids	46,402	17,197	29,205
NEMT - adult & kids	11,989	4,443	7,546
Managed Care - adult & kids	3,175,162	1,176,715	1,998,447
Hospital - adult & kids	3,834,878	1,421,206	2,413,672
Women's Health Services (1115 Wavier)	388,021	42,682	345,339
<i>subtotal adults &amp; kids</i>	<i>9,807,047</i>	<i>3,533,373</i>	<i>6,273,674</i>
<b>TOTAL</b>	<b>\$11,406,617</b>	<b>\$4,126,174</b>	<b>\$7,280,443</b>

The SFY 09 blended federal match rate of 62.94% is used. A blended match rate of 89% is used for Women's Health Care Access.



**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req FTE	GR	Dept Req FED DOLLARS	Dept Req FED	FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0		0.0	0		0.0	0	0.0	0	0.0	0
Total EE	0			0			0		0		0
Program Distributions	4,126,174			7,280,443			0		11,406,617		
Total PSD	4,126,174			7,280,443			0		11,406,617		0
Transfers											
Total TRF	0			0			0		0		0
Grand Total	4,126,174		0.0	7,280,443		0.0	0	0.0	11,406,617	0.0	0

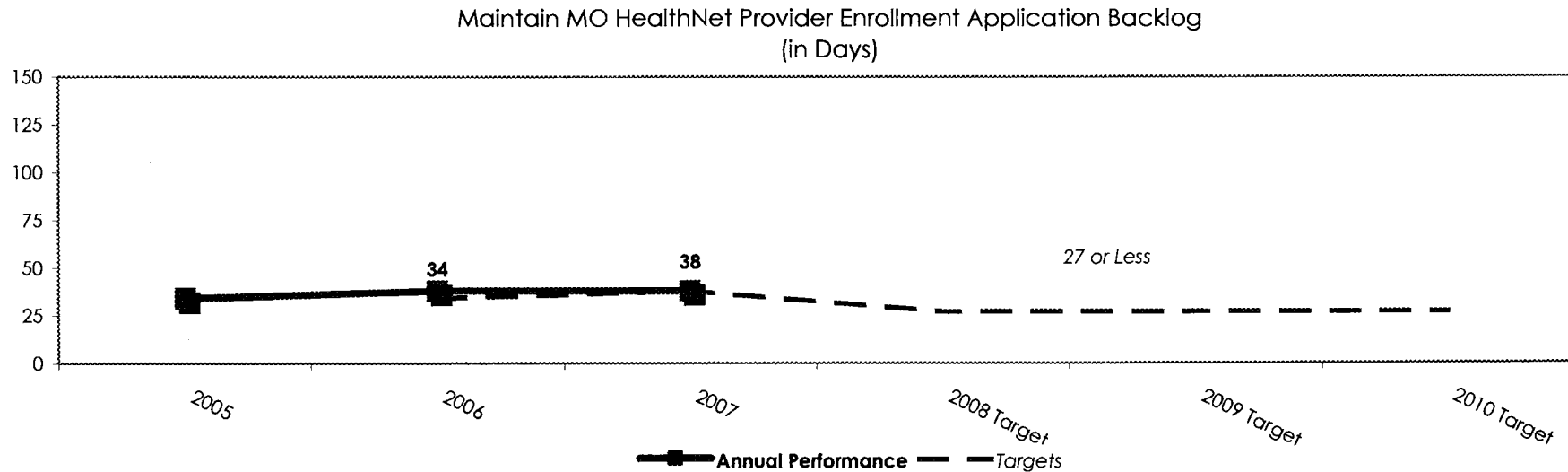
**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec FTE	GR	Gov Rec FED DOLLARS	Gov Rec FED	FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0		0.0	0		0.0	0	0.0	0	0.0	0
Total EE	0			0			0		0		0
Program Distributions	0			0					0		
Total PSD	0			0			0		0		0
Transfers											
Total TRF	0			0			0		0		0
Grand Total	0		0.0	0		0.0	0	0.0	0	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**



**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Eliminate manual processing of provider forms by implementing automated processes.
- Maintain unit staffing.
- Continue to inform providers of their ability to enroll and/or access information including provider manuals, billing booklets and bulletins via the internet through the emomed.com or the MO HealthNet web site.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	385,428	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	385,428	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$385,428</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$142,840</b>	<b>0.00</b>		<b>0.00</b>
<b>FEDERAL FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$242,588</b>	<b>0.00</b>		<b>0.00</b>
<b>OTHER FUNDS</b>								
	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>		<b>0.00</b>

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
MHN Caseload Growth - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,125,442	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,125,442	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,125,442</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$787,688	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,337,754	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
MHN Caseload Growth - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	36,284	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	36,284	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$36,284	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$13,447	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$22,837	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PREMIUM PAYMENTS</b>								
MHN Caseload Growth - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,178,100	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,178,100	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,178,100</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$436,604	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$741,496	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HOME HEALTH-PACE								
MHN Caseload Growth - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,285	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,285	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$4,285	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,588	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$2,697	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	80,844	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	80,844	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$80,844</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$29,961	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$50,883	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
NON-EMERGENCY TRANSPORT								
MHN Caseload Growth - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	22,277	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	22,277	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$22,277	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$8,256	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$14,021	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
MHN Caseload Growth - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,175,162	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	3,175,162	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,175,162</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,176,715	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,998,447	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,010,774	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,010,774	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$4,010,774</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,486,393	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$2,524,381	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
MHN Caseload Growth - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	388,021	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	388,021	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$388,021</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$42,682	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$345,339	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00



**NEW DECISION ITEM**

**RANK: 12**

**Department: Social Services**  
**Division: MO HealthNet Services**  
**DI Name: Pharmacy PMPM Increase**

**Budget Unit: 90541C, 90554C, 90556C, 90585C**

**DI#: 1886008**

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	35,489,272	59,021,947		94,511,219
TRF				
<b>Total</b>	<b>35,489,272</b>	<b>59,021,947</b>		<b>94,511,219</b>

**FTE** **0.00**

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD	9,966,190	45,793,746	17,500,000	73,259,936
TRF				
<b>Total</b>	<b>9,966,190</b>	<b>45,793,746</b>	<b>17,500,000</b>	<b>73,259,936</b>

**FTE** **0.00**

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Pharmacy Rebates Fund (0114)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: PMPM Increase	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funds to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation. The request assumes a 12.9% inflationary factor.*

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures due to increased utilization.

The Governor's recommendation assumes a 10% inflationary factor.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Increase in pharmacy costs continues to grow at a higher rate than other medical costs. This increase can be attributed to the rising cost of drug ingredients, increase in units per prescription, cost of new, expensive medications, and utilization increases. The increase in ingredient costs is due to the inflationary increases which are incorporated into the overall pricing of prescription medications by the pharmaceutical industry as well as the addition of new, expensive agents to the marketplace. The inflation rate in this decision item is consistent with the projected inflation rate being projected by all pharmacy payors.

According to the latest Express Scripts (ESI) Trend Report, ESI is projecting a trend increase of 23.5% for Specialty drugs and a trend increase 9.2% for Non-Specialty drugs. The disabled population utilizes a disproportionate share on Specialty drugs and therefore, the overall projected increase is higher than the average.

	OAA	% Increase	PTD	% Increase	Other	% Increase	
FY07	\$379.77		\$481.38		\$57.80		
FY08 (Proj)	\$428.76	12.90%	\$543.48	12.90%	\$65.26	12.90%	
FY09 (Proj)	\$484.07	12.90%	\$613.59	12.90%	\$73.68	12.90%	
Increase	\$55.31		\$70.11		\$8.42		
Eligibles	3,628		75,738		280,912		
	200,665		5,309,991		2,365,279		
	12		12		12		
Need	\$2,407,976		\$63,719,894		\$28,383,348		Total
							\$94,511,219

	Total	GR	Federal
Pharmacy	91,731,862	33,995,828	57,736,034
State Medical	1,067,977	1,067,977	0
S-CHIP (1115 Waiver)	1,587,788	411,872	1,175,916
Women's Hlth Services	123,592	13,595	109,997
Total	\$94,511,219	\$35,489,272	\$59,021,947

**Governor's Recommendation:**

The Governor Recommended a 10% inflationary factor increase.

	Total	GR	Federal	Other
Pharmacy	71,105,530	8,809,046	44,796,484	17,500,000
State Medical	827,837	827,837		
S-CHIP (1115 Waiver)	1,230,767	318,769	911,998	
Women's Hlth Services	95,802	10,538	85,264	
Total	\$73,259,936	\$9,966,190	\$45,793,746	\$17,500,000

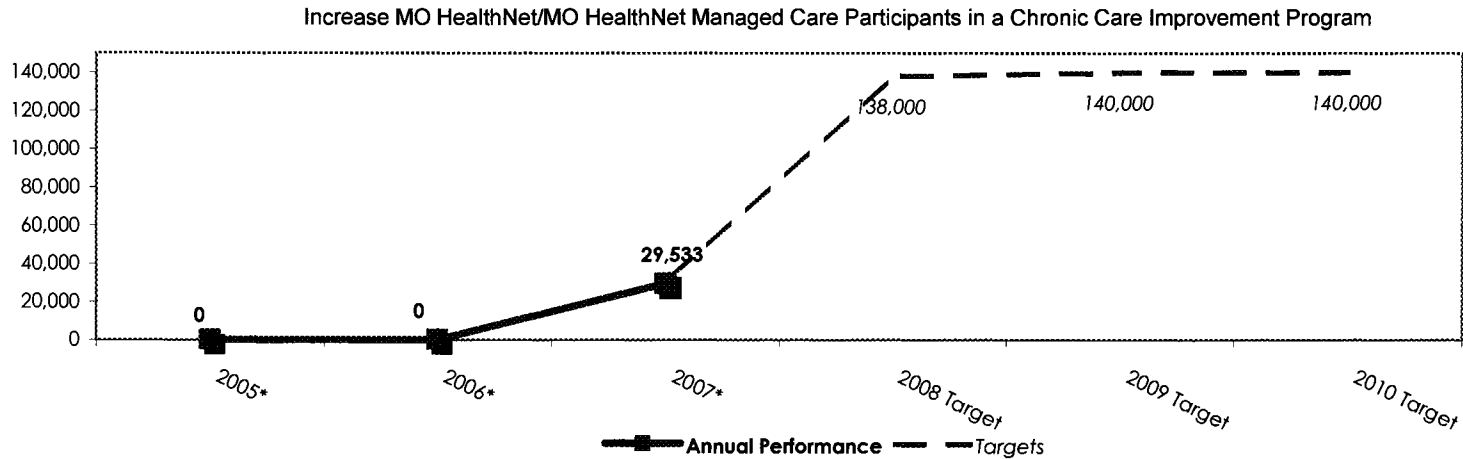


5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	/	0	0.0	0	0.0	0	0.0	0	0.0
Total EE	0		0		0		0		0
Program Distributions	35,489,272		59,021,947				94,511,219		
Total PSD	35,489,272		59,021,947		0		94,511,219		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	35,489,272	0.0	59,021,947	0.0	0	0.0	94,511,219	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	9,966,190		45,793,746		17,500,000		73,259,936		
Total PSD	9,966,190		45,793,746		17,500,000		73,259,936		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	9,966,190	0.0	45,793,746	0.0	17,500,000	0.0	73,259,936	0.0	0

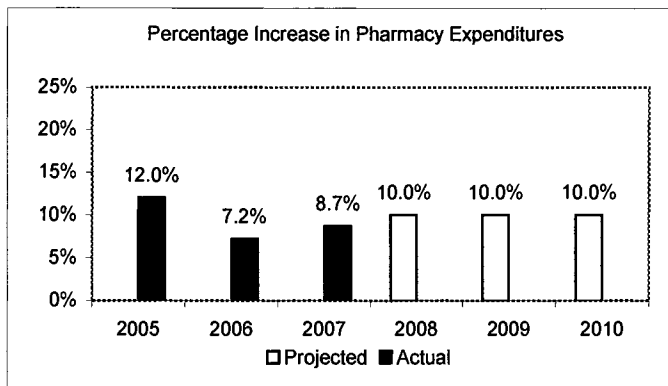
**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**6b. Provide an efficiency measure.**



**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

## **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

Continue statewide identification of participants with targeted disease states.

Continue outreach efforts through participant mailings and direct promotion by their current practitioners.

Dedicated help desk for participant support.

Identify providers currently serving the targeted population to invite them to participate in the Chronic Care Improvement Program.

Continue review, update and implementation of new maximum allowable costs for drug products.

Continue implementation of clinical edits, prior authorization and step therapy.

Continue the preferred drug list with accompanying supplemental rebates.

Continue diabetic supply contracts for cost containment.

Continue existing cost containment activities.

Continue implementation of third party liability cost avoidance on pharmacy claims.

Make personal visits with providers to explain the program and assist with enrollment paperwork.

Focus on clinical areas for improvement and provide clinical education where appropriate.

Reinforce clinical areas for improvement and provide clinical education where appropriate.

Dedicated help desk for provider support.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>Pharmacy PMPM Increase - 1886008</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	91,731,862	0.00	71,105,530	0.00
TOTAL - PD	0	0.00	0	0.00	91,731,862	0.00	71,105,530	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$91,731,862</b>	<b>0.00</b>	<b>\$71,105,530</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$33,995,828	0.00	\$8,809,046	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$57,736,034	0.00	\$44,796,484	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$17,500,000	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>Pharmacy PMPM Increase - 1886008</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	123,592	0.00	95,802	0.00
TOTAL - PD	0	0.00	0	0.00	123,592	0.00	95,802	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$123,592</b>	<b>0.00</b>	<b>\$95,802</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
<b>FEDERAL FUNDS</b>								
<b>OTHER FUNDS</b>								
	\$0	0.00	\$0	0.00	\$13,595	0.00	\$10,538	0.00
	\$0	0.00	\$0	0.00	\$109,997	0.00	\$85,264	0.00
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CHILDREN'S HEALTH INS PROGRAM								
Pharmacy PMPM Increase - 1886008								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,587,788	0.00	1,230,767	0.00
TOTAL - PD	0	0.00	0	0.00	1,587,788	0.00	1,230,767	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$1,587,788	0.00	\$1,230,767	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$411,872	0.00	\$318,769	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,175,916	0.00	\$911,998	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>STATE MEDICAL</b>								
<b>Pharmacy PMPM Increase - 1886008</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,067,977	0.00	827,837	0.00
TOTAL - PD	0	0.00	0	0.00	1,067,977	0.00	827,837	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,067,977</b>	<b>0.00</b>	<b>\$827,837</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,067,977	0.00	\$827,837	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00





**NEW DECISION ITEM  
RANK: 13**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Managed Care Rate Increase**

**Budget Unit: 90551C, 90556C**  
**DI#: 1886009**

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	37,594,111	65,853,555		103,447,666
TRF				
<b>Total</b>	<b>37,594,111</b>	<b>65,853,555</b>		<b>103,447,666</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	37,533,380	65,914,286		103,447,666
TRF				
<b>Total</b>	<b>37,533,380</b>	<b>65,914,286</b>		<b>103,447,666</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funding to apply on average a 9.6% pharmacy inflation increase and an 10.1% non-pharmacy trend factor for both utilization and cost component increases for drugs and medical services. Funding is for the Eastern, Central, and Western regions for July 2008 through June 2009.*

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. The Federal Authority is Social Security Act Section 1915(b) and 1115 Waiver. The Federal Regulation is 42 CFR 438-Managed Care and the State Authority is 208.166 RSMo. Final rules and regulations published June 14, 2002, effective August 13, 2003, require that capitation payments made on behalf of managed care enrollees be actuarially sound. Further, the state must provide the actuarial certification of the capitation rates to the CMS. The CMS Regional Office must review and approve all contracts for managed care as a condition for federal financial participation.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one times and how those amounts were calculated.)**

An average pharmacy inflation increase (9.6%) and the non-pharmacy utilization and cost component increase (10.1%) were developed by the MO HealthNet Division's actuary. Both utilization and unit cost component increases were included as required by the CMS in developing actuarially sound rates. The pharmacy inflation increase is calculated using a weighted, blended average of the pharmacy component of the capitation rate for all health plans by region. The non-pharmacy utilization and cost component increase is calculated using a weighted, blended average of the capitation rate, less the pharmacy component, for all health plans by region. The numbers used in the column "eligibles" are based on full time equivalents. The number of eligibles projected to enter the program as a result of the the expansion of MO HealthNet benefits to former foster children and the expansion of Managed Care to twenty-one additional counties were added for FY09. Full time equivalents approximate 96% of the Managed Care eligibles' count. The cost to continue managed care trend factor need is calculated by region and is based on the number of months in the contract period that fall in FY 2009. The total cost is estimated at \$103,447,666 as follows:

Contract Start Date	Program	Region	FY08	FY09	Difference	Eligibles	Contract Months in FY08	Total
June 1	Managed Care	Eastern-Medical	\$202.16	\$220.96	\$18.80	174,507	12	\$39,368,779
June 1	Managed Care	Eastern-Pharmacy	\$28.90	\$31.99	\$3.09	174,507	12	\$6,470,720
June 1	Managed Care	Central-Medical	\$208.42	\$228.64	\$20.22	66,476	12	\$16,129,737
June 1	Managed Care	Central-Pharmacy	\$32.16	\$34.89	\$2.73	66,476	12	\$2,177,754
June 1	Managed Care	Western-Medical	\$205.24	\$227.82	\$22.58	105,669	12	\$28,632,072
June 1	Managed Care	Western-Pharmacy	\$29.34	\$32.48	\$3.14	105,669	12	\$3,981,608
<i>subtotal Managed Care</i>								<u>\$96,760,670</u>
June 1	TIXXI SCHIP-Child	Eastern-Medical	\$109.85	\$119.74	\$9.89	18,070	12	\$2,144,548
June 1	TIXXI SCHIP-Child	Eastern-Pharmacy	\$28.56	\$31.33	\$2.77	18,070	12	\$600,647
June 1	TIXXI SCHIP-Child	Central-Medical	\$121.45	\$133.11	\$11.66	8,717	12	\$1,219,683
June 1	TIXXI SCHIP-Child	Central-Pharmacy	\$29.47	\$31.97	\$2.50	8,717	12	\$261,510
June 1	TIXXI SCHIP-Child	Western-Medical	\$116.88	\$130.55	\$13.67	12,549	12	\$2,058,538
June 1	TIXXI SCHIP-Child	Western-Pharmacy	\$27.52	\$30.19	\$2.67	12,549	12	\$402,070
<i>subtotal TIXXI SCHIP Children</i>								<u>\$6,686,996</u>

	Total	GR	Federal	Total Need	<u>\$103,447,666</u>
Managed Care	\$96,760,670	\$35,859,504	\$60,901,166		
TIXXI SCHIP- Child	\$6,686,996	\$1,734,607	\$4,952,389		
	<u>\$103,447,666</u>	<u>\$37,594,111</u>	<u>\$65,853,555</u>		

Governor's Recommendation:

The Governor's Recommendations includes updated FMAP.

	Total	GR	Federal
Managed Care	\$96,760,670	\$35,801,448	\$60,959,222
TIXXI SCHIP- Child	\$6,686,996	\$1,731,932	\$4,955,064
	<u>\$103,447,666</u>	<u>\$37,533,380</u>	<u>\$65,914,286</u>

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	37,594,111		65,853,555				103,447,666		
Total PSD	37,594,111		65,853,555		0		103,447,666		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	37,594,111	0.0	65,853,555	0.0	0	0.0	103,447,666	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	37,533,380		65,914,286				103,447,666		
Total PSD	37,533,380		65,914,286		0		103,447,666		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	37,533,380	0.0	65,914,286	0.0	0	0.0	103,447,666	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

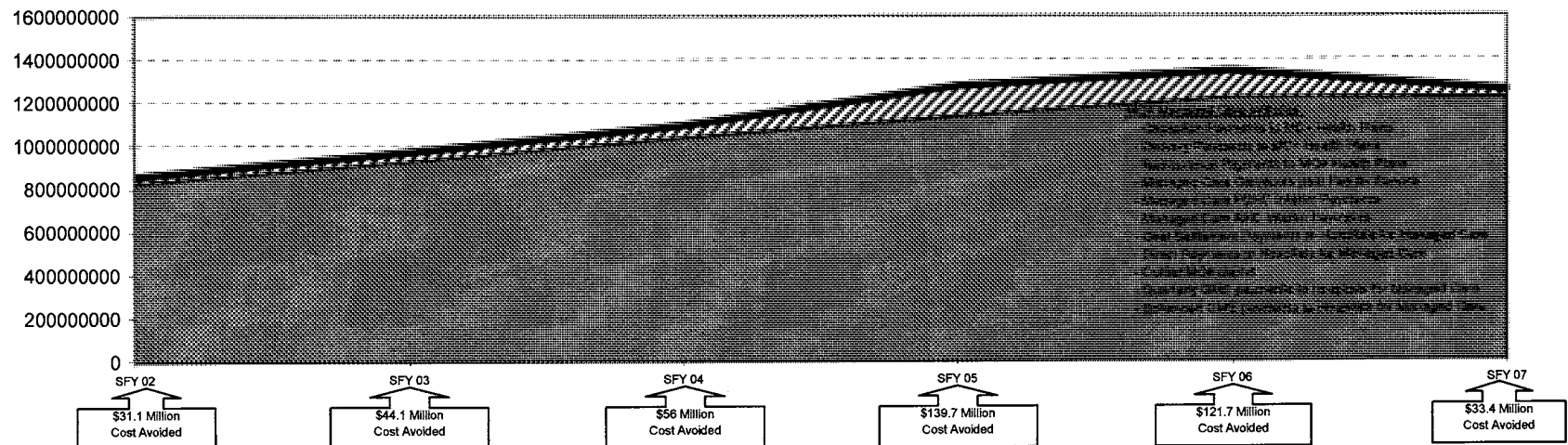
**6a. Provide an effectiveness measure.**

See separate document "Since MC+ Began..." included in the Managed Care Program Description.

**6b. Provide an efficiency measure.**

Cost Avoidance Attributable to MO HealthNet Managed Care

MC+ Managed Care Cost Avoided Fee for Service



**6c. Provide the number of clients/individuals served, if applicable.**

Managed Care Enrollees		
SFY	Actual	Projected
2005	426,873	
2006	379,795	439,679
2007	349,392	371,895
2008		401,097
2009		402,071
2010		402,071

**6d. Provide a customer satisfaction measure, if available.**

See separate document "2006 Consumer's Guide MC+ Managed Care in Missouri" included in the Managed Care Program Description.

#### **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Participate in the Statewide Coalition, consisting of leaders from Missouri Hospital Association and the Family and Community Trust, to provide outreach and enrollment.
- Purchase cost effective health insurance policies for MO HealthNet participants through the Health Insurance Premium Payment Program.
- Continue to work with community groups, local medical providers, health care associations, schools, etc. regarding access to MO HealthNet coverage.
- Continue to work with MC+ managed care health plans to provide outreach and education to communities regarding access to MC+ coverage.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
Managed Care Rate Increase - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	96,760,670	0.00	96,760,670	0.00
TOTAL - PD	0	0.00	0	0.00	96,760,670	0.00	96,760,670	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$96,760,670</b>	<b>0.00</b>	<b>\$96,760,670</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$35,859,504	0.00	\$35,801,448	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$60,901,166	0.00	\$60,959,222	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>Managed Care Rate Increase - 1886009</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	6,686,996	0.00	6,686,996	0.00
TOTAL - PD	0	0.00	0	0.00	6,686,996	0.00	6,686,996	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$6,686,996</b>	<b>0.00</b>	<b>\$6,686,996</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,734,607	0.00	\$1,731,932	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$4,952,389	0.00	\$4,955,064	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00





**NEW DECISION ITEM**

**RANK: 19**

**Department: Social Services**

**Division: MO HealthNet**

**DI Name: Cost to Continue--SB 577 Women's Health Program Expansion**

**Budget Unit: 90541C, 90544C, 90546C, 90549C, 90564C, 90550C, 90552C, 90554C, 90556C**

**DI#: 1886028**

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	1,989,856	10,972,705		12,962,561
TRF				
<b>Total</b>	<b>1,989,856</b>	<b>10,972,705</b>		<b>12,962,561</b>

**FTE** **0.00**

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD	1,988,346	10,974,215		12,962,561
TRF				
<b>Total</b>	<b>1,988,346</b>	<b>10,974,215</b>		<b>12,962,561</b>

**FTE** **0.00**

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input checked="" type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Expansion of Women's Health Services - SB 577.*

SB 577 included an expansion of the Women's Health Services Program to include women 18 years of age and older with net income of less than 185% of the Federal Poverty Level. Also to be eligible for the program, the applicant shall not have assets in excess of \$250,000, nor have access to employer-sponsored health insurance. The State Authority is 208.659 RSMo.

This new decision item continues supplemental funding at an annualized cost.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The Women's Health Services Program includes pelvic exams and pap tests, sexually transmitted disease testing and treatment, family planning counseling/education on various methods of birth control. It is estimated that 82,571 women will qualify for this expansion. The cost for this expansion is based on a 12-month phase-in which will begin in FY 08 (Spring of 2008). The FY 09 cost is esimated to be \$9,187,642.

In FY 09, it is expected that 318 of these women will become eligible for treatment of breast and cervical cancer found during screening provided through the Women's Health Services Program. The cost for treatment is estimated to be \$3,774,919 in FY 09. Federal match for cancer treatment found during these screenings receive the enhanced match rate.

	Total	GR	Federal
Women's Health Care Access	9,187,642	1,010,641	8,177,001
Pharmacy	1,325,752	343,900	981,852
Physician	444,686	115,352	329,334
Dental	377	98	279
Home Health	18,120	4,700	13,420
Nursing Facility	1,132	294	838
Rehab & Specialty	47,564	12,338	35,226
Hospital	1,937,288	502,533	1,434,755
Subtotal - Breast/Cervical	3,774,919	979,215	2,795,704
Total	\$12,962,561	\$1,989,856	\$10,972,705

Governor's Recommendation:

The Governor's Recommendation includes updated FMAP.

	Total	GR	Federal
Women's Health Care Access	9,187,642	1,010,641	8,177,001
Pharmacy	1,325,752	343,370	982,382
Physician	444,686	115,174	329,512
Dental	377	98	279
Home Health	18,120	4,693	13,427
Nursing Facility	1,132	293	839
Rehab & Specialty	47,564	12,319	35,245
Hospital	1,937,288	501,758	1,435,530
Subtotal - Breast/Cervical	3,774,919	977,705	2,797,214
Total	\$12,962,561	\$1,988,346	\$10,974,215

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	1,989,856		10,972,705				12,962,561		
Total PSD	1,989,856		10,972,705		0		12,962,561		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	1,989,856	0.0	10,972,705	0.0	0	0.0	12,962,561	0.0	0

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	1,988,346		10,974,215				12,962,561		
Total PSD	1,988,346		10,974,215		0		12,962,561		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	1,988,346	0.0	10,974,215	0.0	0	0.0	12,962,561	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

Women's Health Services		
SFY	Actual	Projected
2005	10,025	
2006	12,279	
2007	17,054	
2008		44,368
2009		98,842
2010		98,842

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Identify providers currently serving the targeted population to invite them to participate in the chronic care improvement program.
- Make personal visits with providers to explain the program and assist with enrollment paperwork.
- Focus on clinical benefits of their participation as well as showing providers the financial incentives.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Dedicated help desk for provider support.
- Evaluate edits causing the largest denials.
- Post on the Internet the most common billing errors and how to avoid them.
- Conduct provider education seminars.
- Assure provider manuals are updated timely.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY								
CtoC SB 577 Women's Health Prg - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,325,752	0.00	1,325,752	0.00
TOTAL - PD	0	0.00	0	0.00	1,325,752	0.00	1,325,752	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$1,325,752	0.00	\$1,325,752	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$343,900	0.00	\$343,370	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$981,852	0.00	\$982,382	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
CtoC SB 577 Women's Health Prg - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	444,686	0.00	444,686	0.00
TOTAL - PD	0	0.00	0	0.00	444,686	0.00	444,686	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$444,686</b>	<b>0.00</b>	<b>\$444,686</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$115,352	0.00	\$115,174	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$329,334	0.00	\$329,512	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
DENTAL								
CtoC SB 577 Women's Health Prg - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	377	0.00	377	0.00
TOTAL - PD	0	0.00	0	0.00	377	0.00	377	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$377	0.00	\$377	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$98	0.00	\$98	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$279	0.00	\$279	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
CtoC SB 577 Women's Health Prg - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,132	0.00	1,132	0.00
TOTAL - PD	0	0.00	0	0.00	1,132	0.00	1,132	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,132</b>	<b>0.00</b>	<b>\$1,132</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$294	0.00	\$293	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$838	0.00	\$839	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOME HEALTH-PACE</b>								
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	18,120	0.00	18,120	0.00
TOTAL - PD	0	0.00	0	0.00	18,120	0.00	18,120	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$18,120</b>	<b>0.00</b>	<b>\$18,120</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$4,700	0.00	\$4,693	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$13,420	0.00	\$13,427	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	47,564	0.00	47,564	0.00
TOTAL - PD	0	0.00	0	0.00	47,564	0.00	47,564	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$47,564</b>	<b>0.00</b>	<b>\$47,564</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$12,338	0.00	\$12,319	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$35,226	0.00	\$35,245	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
CtoC SB 577 Women's Health Prg - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,937,288	0.00	1,937,288	0.00
TOTAL - PD	0	0.00	0	0.00	1,937,288	0.00	1,937,288	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,937,288</b>	<b>0.00</b>	<b>\$1,937,288</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$502,533	0.00	\$501,758	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,434,755	0.00	\$1,435,530	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	9,187,642	0.00	9,187,642	0.00
TOTAL - PD	0	0.00	0	0.00	9,187,642	0.00	9,187,642	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$9,187,642</b>	<b>0.00</b>	<b>\$9,187,642</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,010,641	0.00	\$1,010,641	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$8,177,001	0.00	\$8,177,001	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 20**

Department: Social Services

Division: MO HealthNet

DI Name: Cost to Continue--SB 577-Dental & Optometric Adult Benefit

Budget Unit: 90546C, 90550C, 90551C

DI#: 1886029

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	9,127,058	15,500,729		24,627,787
TRF				
<b>Total</b>	<b>9,127,058</b>	<b>15,500,729</b>		<b>24,627,787</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD	9,112,281	15,515,506		24,627,787
TRF				
<b>Total</b>	<b>9,112,281</b>	<b>15,515,506</b>		<b>24,627,787</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: To provide for dental and optometric adult coverage as provided for in SB 577.*

SB 577 states MO HealthNet payments shall be made for prescribed medically necessary dental and optometric services subject to appropriation. This request is to fund dental and optometric services for adult MO HealthNet population. This new decision item continues supplemental funding at an annualized cost.

RSMO 208.152.1 (21) and (22)

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The FY 05 (before SB 539) and FY 07 (after SB 539) cost per eligible was calculated for dental and optometric services for the eligibility groups which would be affected by extending medically necessary dental and optometric services. The cost difference between the yearly cost per eligible was multiplied by the FY 09 projected eligibles. The FY 09 cost for prescribed medically necessary dental services would be \$16,466,562, the cost for prescribed medically necessary optometric services would be \$836,821 and the cost for managed care would be \$7,324,404.

	Total	GR	Federal
Dental	16,466,562	6,102,508	10,364,054
Optometric	836,821	310,126	526,695
Managed Care	7,324,404	2,714,424	4,609,980
Total	\$24,627,787	\$9,127,058	\$15,500,729

Governor's Recommendation:

The Governor's Recommendation includes updated FMAP.

	Total	GR	Federal
Dental	\$16,466,562	\$6,092,628	\$10,373,934
Optometric	\$836,821	\$309,624	\$527,197
Managed Care	\$7,324,404	\$2,710,029	\$4,614,375
Total	\$24,627,787	\$9,112,281	\$15,515,506



5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	9,127,058		15,500,729				24,627,787		
Total PSD	9,127,058		15,500,729		0		24,627,787		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	9,127,058	0.0	15,500,729	0.0	0	0.0	24,627,787	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	9,112,281		15,515,506				24,627,787		
Total PSD	9,112,281		15,515,506		0		24,627,787		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	9,112,281	0.0	15,515,506	0.0	0	0.0	24,627,787	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Identify providers currently serving the targeted population to invite them to participate in the chronic care improvement program.
- Make personal visits with providers to explain the program and assist with enrollment paperwork.
- Focus on clinical benefits of their participation as well as showing providers the financial incentives.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Dedicated help desk for provider support.
- Evaluate edits causing the largest denials.
- Post on the Internet the most common billing errors and how to avoid them.
- Conduct provider education seminars.
- Assure provider manuals are updated timely.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
DENTAL								
CtoC SB 577 Adult Dental/Optom - 1886029								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	16,466,562	0.00	16,466,562	0.00
TOTAL - PD	0	0.00	0	0.00	16,466,562	0.00	16,466,562	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$16,466,562	0.00	\$16,466,562	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$6,102,508	0.00	\$6,092,628	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$10,364,054	0.00	\$10,373,934	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
CtoC SB 577 Adult Dental/Optom - 1886029								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	836,821	0.00	836,821	0.00
TOTAL - PD	0	0.00	0	0.00	836,821	0.00	836,821	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$836,821</b>	<b>0.00</b>	<b>\$836,821</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$310,126	0.00	\$309,624	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$526,695	0.00	\$527,197	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
CtoC SB 577 Adult Dental/Optom - 1886029								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	7,324,404	0.00	7,324,404	0.00
TOTAL - PD	0	0.00	0	0.00	7,324,404	0.00	7,324,404	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$7,324,404</b>	<b>0.00</b>	<b>\$7,324,404</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,714,424	0.00	\$2,710,029	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$4,609,980	0.00	\$4,614,375	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 22**

Department: Social Services  
Division: MO HealthNet Division  
DI Name: FMAP

Budget Unit: 90541C, 90544C, 90546C, 90547C, 90549C, 90564C,  
90550C, 90551C, 90552C, 90554C, 90556C  
DI#: 1886014

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	10,932,712	28,062,733		38,995,445
TRF				
<b>Total</b>	<b>10,932,712</b>	<b>28,062,733</b>		<b>38,995,445</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Fed	Other	Total
PS				
EE				
PSD	10,464,644	30,260,835		40,725,479
TRF				
<b>Total</b>	<b>10,464,644</b>	<b>30,260,835</b>		<b>40,725,479</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

**NDI SYNOPSIS:** Funding to address the change in the Federal Medical Assistance Percentage (FMAP). Tentative Department Request changes are regular rate from FY08 62.22% blended to 62.94% blended and enhanced rate from 73.55% blended to 74.06% blended.

This funding is requested to compensate for the change in the Federal Medical Assistance Percentage (FMAP). Each year the Centers for Medicare and Medicaid Services (CMS) revises the percentage of Medicaid costs that the federal government will reimburse to each state. Effective October 1, 2008, the regular FMAP rate will increase from 62.42% to 63.19%. The enhanced FMAP rate for the 1115 Waiver CHIP children will increase from 73.69% to 74.23%. As a result, the MO HealthNet Division seeks to continue program core funding at current levels by compensating for this change in federal funding levels. The increased costs of this decision item have an equal offset in the affected program cores as core reductions. The Federal Authority is Social Security Act 1905(b).

The Governor's Recommendations update the tentative Department request with more accurate information learned after the Department's October submission. For FY09 the blended FMAP is 63.00% and the blended enhanced FMAP is 74.10%.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Since the federal fiscal year (FFY) doesn't begin until the second quarter of the state fiscal year (SFY), a SFY blended rate is applied to the SFY core funding. This blended rate is derived by adding the old FFY rate (62.42%) for three months (July thru September) and the new FFY rate (63.19%) for nine months (October thru June) and dividing by 12 months, resulting in a SFY blended rate of 63.94%. This same procedure is applied to the enhanced federal match for the 1115 Waiver CHIP program. The enhanced old FFY rate of 73.69% for three months (July thru September) and the new FFY rate of 74.23% for nine months (October thru June) results in an enhanced SFY blended rate of 74.10%. In order to continue current core funding, these blended rates are applied to the SFY 08 core funding resulting in a revised mix of funding sources while maintaining the same total. Based on the review of all program cores and the change in FMAP, the below increases are needed to maintain total funding at the correct level and have equal offsetting reductions in the applicable program cores.

Note: The Department request is based on information that was later updated. The explanation above uses the updated information used in the Governor's Recommendations.

Department Request:

Program	GR	Federal	Other	Total
Pharmacy		5,035,720		5,035,720
Physician		3,583,751		3,583,751
Dental		60,241		60,241
Premium Payments		1,433,026		1,433,026
Home Health and Pace		86,643		86,643
Nursing Facility		6,094,887		6,094,887
Rehabilitation and Specialty	10,932,712			10,932,712
Non-Emergency Transportation		228,962		228,962
Managed Care		7,193,178		7,193,178
Hospital		3,077,840		3,077,840
Women's Health Care (1115 Waiver Adults)		460,770		460,770
CHIP (1115 Waiver Children)		807,715		807,715
Total FMAP Adjustment	\$10,932,712	\$28,062,733	\$0	\$38,995,445

Governor's Recommendation:

Governor's Recommendation includes the updated FMAP percentage that the federal government will reimburse as stated above.

Program	GR	Federal	Other	Total
Pharmacy		5,483,565		5,483,565
Physician		3,859,231		3,859,231
Dental		66,315		66,315
Premium Payments		1,523,420		1,523,420
Home Health and Pace		93,864		93,864
Nursing Facility		6,439,365		6,439,365
Rehabilitation and Specialty	10,464,644			10,464,644
Non-Emergency Transportation		248,043		248,043
Managed Care		7,792,776		7,792,776
Hospital		3,422,946		3,422,946
Women's Health Care (1115 Waiver Adults)		460,770		460,770
CHIP (1115 Waiver Children)		870,540		870,540
Total FMAP Adjustment	\$10,464,644	\$30,260,835	\$0	\$40,725,479



5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	10,932,712		28,062,733				38,995,445		
Total PSD	10,932,712		28,062,733		0		38,995,445		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	10,932,712	0.0	28,062,733	0.0	0	0.0	38,995,445	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	10,464,644		30,260,835				40,725,479		
Total PSD	10,464,644		30,260,835		0		40,725,479		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	10,464,644	0.0	30,260,835	0.0	0	0.0	40,725,479	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

	Regular FFP Rates		Enhanced FFP Rates (CHIP Program)	
	FFY	SFY	FFY	SFY
2005	61.15%	61.23%	72.81%	72.87%
2006	61.93%	61.74%	73.35%	73.22%
2007	61.60%	61.68%	73.12%	73.18%
2008	62.42%	62.22%	73.69%	73.55%
2009	63.19%	63.00%	74.23%	74.10%
2010	63.19%	63.00%	74.23%	74.10%

Since the FMAP adjustments represent a funding source rather than a particular program, measures for the FMAP adjustments are incorporated into the specific MO HealthNet program sections.

**6b. Provide an efficiency measure.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6c. Provide the number of clients/individuals served, if applicable.**

**6d. Provide a customer satisfaction measure, if available.**

## **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

·Maintain flow of federal financial participation in the healthcare arena. (Beyond DSS)

·The MO HealthNet Division performs detailed projections for all program cores. These projections include adjusting the federal participation level to the percentage in effect for SFY09. After adjusting the funding sources, the appropriate core funds are reduced through core reductions (see Program Core Requests). Increases in funding are requested through this decision item. These two offsetting actions result in continued core funding at current levels.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,035,720	0.00	5,483,565	0.00
TOTAL - PD	0	0.00	0	0.00	5,035,720	0.00	5,483,565	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$5,035,720</b>	<b>0.00</b>	<b>\$5,483,565</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$5,035,720	0.00	\$5,483,565	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,583,751	0.00	3,859,231	0.00
TOTAL - PD	0	0.00	0	0.00	3,583,751	0.00	3,859,231	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,583,751</b>	<b>0.00</b>	<b>\$3,859,231</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$3,583,751	0.00	\$3,859,231	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	60,241	0.00	66,315	0.00
TOTAL - PD	0	0.00	0	0.00	60,241	0.00	66,315	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$60,241</b>	<b>0.00</b>	<b>\$66,315</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$60,241	0.00	\$66,315	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PREMIUM PAYMENTS</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,433,026	0.00	1,523,420	0.00
TOTAL - PD	0	0.00	0	0.00	1,433,026	0.00	1,523,420	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,433,026</b>	<b>0.00</b>	<b>\$1,523,420</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,433,026	0.00	\$1,523,420	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	6,094,887	0.00	6,439,365	0.00
TOTAL - PD	0	0.00	0	0.00	6,094,887	0.00	6,439,365	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$6,094,887</b>	<b>0.00</b>	<b>\$6,439,365</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$6,094,887	0.00	\$6,439,365	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HOME HEALTH-PACE								
FMAP - 1886014								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	86,643	0.00	93,864	0.00
TOTAL - PD	0	0.00	0	0.00	86,643	0.00	93,864	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$86,643	0.00	\$93,864	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$86,643	0.00	\$93,864	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	10,932,712	0.00	10,464,644	0.00
TOTAL - PD	0	0.00	0	0.00	10,932,712	0.00	10,464,644	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$10,932,712</b>	<b>0.00</b>	<b>\$10,464,644</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$10,932,712	0.00	\$10,464,644	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	228,962	0.00	248,043	0.00
TOTAL - PD	0	0.00	0	0.00	228,962	0.00	248,043	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$228,962</b>	<b>0.00</b>	<b>\$248,043</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$228,962	0.00	\$248,043	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	7,193,178	0.00	7,792,776	0.00
TOTAL - PD	0	0.00	0	0.00	7,193,178	0.00	7,792,776	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$7,193,178</b>	<b>0.00</b>	<b>\$7,792,776</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$7,193,178	0.00	\$7,792,776	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,077,840	0.00	3,422,946	0.00
TOTAL - PD	0	0.00	0	0.00	3,077,840	0.00	3,422,946	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,077,840</b>	<b>0.00</b>	<b>\$3,422,946</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$3,077,840	0.00	\$3,422,946	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>FMAP - 1886014</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	460,770	0.00	460,770	0.00
TOTAL - PD	0	0.00	0	0.00	460,770	0.00	460,770	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$460,770</b>	<b>0.00</b>	<b>\$460,770</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$460,770	0.00	\$460,770	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CHILDREN'S HEALTH INS PROGRAM								
FMAP - 1886014								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	807,715	0.00	870,540	0.00
TOTAL - PD	0	0.00	0	0.00	807,715	0.00	870,540	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$807,715	0.00	\$870,540	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$807,715	0.00	\$870,540	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00





**NEW DECISION ITEM  
RANK: 999**

Department: Social Services  
Division: MO HealthNet Division  
DI Name: Physician Services Rate Increase

Budget Unit: 90544C, 90546C, 90585C, 90551C, 90554C, 90556C

DI#: 1886034

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	20,200,000	32,614,862		52,814,862
TRF				
Total	20,200,000	32,614,862		52,814,862

FTE

0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Rate Increase	

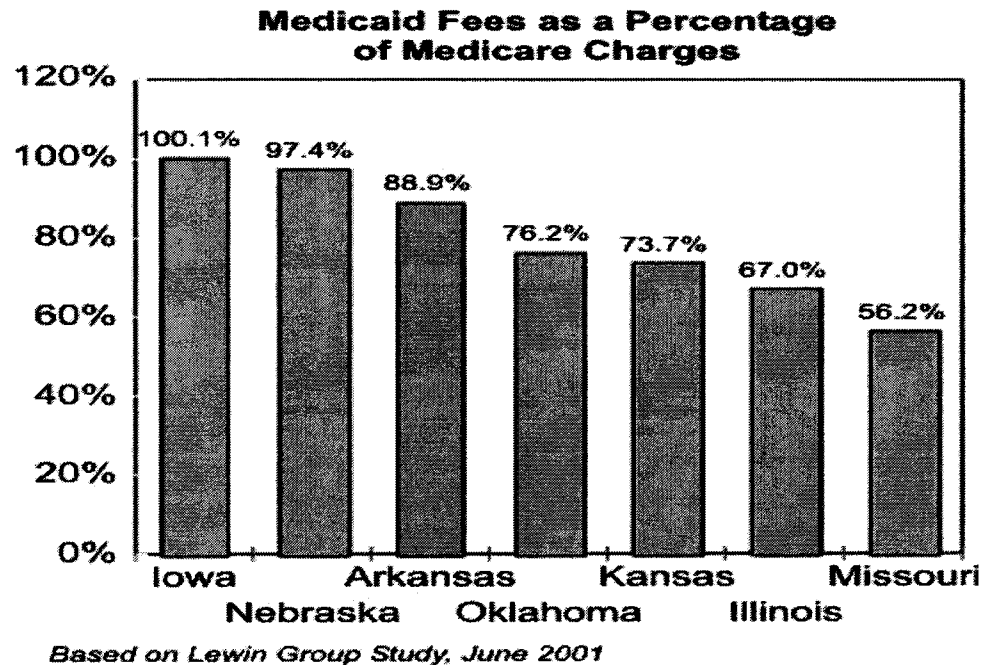
**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Increases physicians services rate from 55% of Medicare to 65% of Medicare.*

SB 577 emphasizes the need to increase MO HealthNet rates to recognized benchmarks (e.g., Medicare rates). With its passage the law requires the MO HealthNet division to report annually, beginning January 1, 2008, a comparison between MO HealthNet rates and recognized benchmarks. It further requires the division to provide a four year plan to the general assembly on the cost to increase rates to those benchmarks and to submit a budget request for such increases. According to a news article published by Health Affairs, Medicaid physician-related fees on average grew at nearly twice the rate of inflation between 1998 and 2003, but they still remain well below the rates paid by Medicare in most parts of the country. Low Medicaid fees discourage providers from accepting Medicaid patients, thereby reducing access to care for enrollees. Surveys of physicians have shown that although a majority of physicians accept Medicaid patients, fewer physicians nationally accept new Medicaid patients than accept other types of insured patients.

In addition, findings from the Community Tracking Study (CTS) physician survey show that acceptance of new Medicaid patients is higher in states that have higher Medicaid fees relative to Medicare than in states with lower Medicaid fees. Among all patient care physicians in 2001, 52% in low-fee states were accepting new Medicaid patients, compared with 68% in high-fee states.

Based on The Lewin Study, Comparing Physician and Dentist Fees Among Medicaid Programs, Missouri ranks 47th out of all states when comparing Medicaid rates (as of December 2000) as a percent of Medicare charges. The chart (below) shows how Missouri compares to surrounding states.



Funds requested in this decision item provide for increased rates for physician-related services for both fee-for-service and managed care recipients. MHD will amend managed care contracts with health plans for the proposed rate increase. Plans must sign the contract amendment indicating that they will pass the rate increase on to their providers. The Federal Authority is the Social Security Act 1905 (a); 1915(b); and 1115 Waiver. The Federal Regulations are 42 CFR 440.210; 440.500 and 434 Subpart C. The State Authority is 208.152 and 208.166 RSMo.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The Governor's recommendation will increase rates for physician-related services from a rate floor of 55% of Medicare's rates to 65% of Medicare's rates.

	Total	GR	Federal
<u>FY 09 Physician-Related Rate Increase</u>			
Physician-Related Services	24,506,789	9,834,451	16,745,147
Dental	571,886	139,725	237,909
State Medical	2,261,985	2,261,618	0
Managed Care	20,243,171	6,928,609	11,797,362
Women's Health Srv (1115 - Adult)	1,510,637	166,656	1,348,402
S-CHIP (1115 Waiver - Children)	3,720,394	868,941	2,486,042
FY09 Rate Increase	\$52,814,862	\$20,200,000	\$32,614,862

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	20,200,000		32,614,862				52,814,862		
Total PSD	20,200,000		32,614,862		0		52,814,862		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	20,200,000	0.0	32,614,862	0.0	0	0.0	52,814,862	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

Average Monthly Physician-Related Services Users		
SFY	Actual	Projected
2005	232,693	228,424
2006	219,015	233,020
2007	207,071	229,966
2008		223,599
2009		229,053
2010		229,092

Eligibles:

Physician-related services are available to fee for service MO HealthNet/MC+ eligibles. In the regions of the state where MC+ managed care has been implemented, enrollees have physician related services available through the MC+ managed care health plan.

**6d. Provide a customer satisfaction measure, if available.**

## **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Identify providers currently serving the targeted population to invite them to participate in the chronic care improvement program.
- Make personal visits with providers to explain the program and assist with enrollment paperwork.
- Focus on clinical benefits of their participation as well as showing providers the financial incentives.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Dedicated help desk for provider support.
- Evaluate edits causing the largest denials.
- Post on the Internet the most common billing errors and how to avoid them.
- Conduct provider education seminars.
- Assure provider manuals are updated timely.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
Physicians Services Rate Incr - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	26,579,598	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	26,579,598	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$26,579,598</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$9,834,451	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$16,745,147	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
Physicians Services Rate Incr - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	377,634	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	377,634	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$377,634</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$139,725	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$237,909	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
Physicians Services Rate Incr - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	18,725,971	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	18,725,971	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$18,725,971</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$6,928,609	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$11,797,362	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
Physicians Services Rate Incr - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,515,058	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,515,058	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$1,515,058</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$166,656	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$1,348,402	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>Physicians Services Rate Incr - 1886034</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,354,983	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,354,983	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,354,983</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$868,941	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$2,486,042	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>STATE MEDICAL</b>								
Physicians Services Rate Incr - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	2,261,618	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,261,618	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,261,618</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$2,261,618	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 999**

Department: Social Services  
Division: MO HealthNet  
DI Name: Dental Rate Increase

Budget Unit: 90546C, 90585C, 90551C, 90556C  
DI#: 1886035

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	2,500,000	4,525,869		7,025,869
TRF				
Total	2,500,000	4,525,869		7,025,869

FTE

0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Rate Increase	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Increase dental provider rates from 33% of usual, customary and reasonable (UCR) charges to 35% UCR.*

SB 577 emphasizes the need to increase MO HealthNet rates to recognized benchmarks (e.g., UCR charges). With its passage the law requires the MO HealthNet division to report annually, beginning January 1, 2008, a comparison between MO HealthNet rates and recognized benchmarks. It further requires the division to provide a four year plan to the general assembly on the cost to increase rates to those benchmarks and to submit a budget request for such increases.

The federal authority for the dental program is Social Security Act Section 1905(a)(10) and Regulation 42 CFR 440.100; state authority is 208.152 and 208.166.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

MO HealthNet currently pays 33% of the average usual, customary and reasonable (UCR) fee. With the FY 09 dental rate increase, MO HealthNet will pay 35% of the average UCR fee. Source of the UCR is the American Dental Association 2007 Survey of Dental Fees.

Total	GR	Federal
-------	----	---------

FY 09 Dental Rate Increase

Dental	2,777,455	969,326	1,808,129
Managed Care	3,397,737	1,257,163	2,140,574
S-CHIP (1115 Waiver)	777,537	200,371	577,166
State Medical	73,140	73,140	0
FY 09 Dental Rate Increase Request	\$7,025,869	\$2,500,000	\$4,525,869

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		0				0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

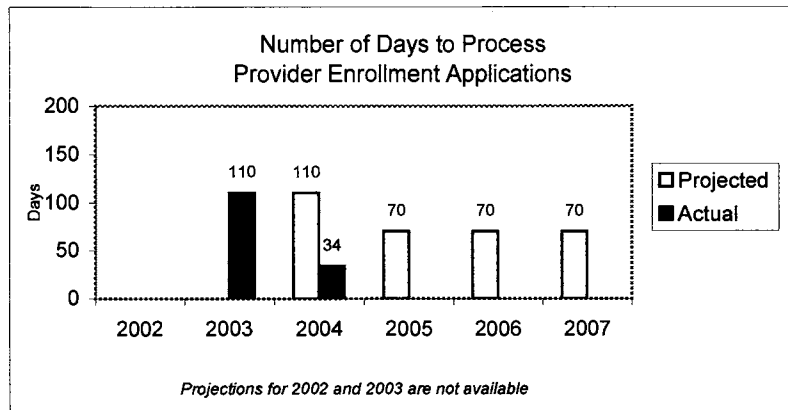
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	2,500,000		4,525,869				7,025,869		
Total PSD	2,500,000		4,525,869		0		7,025,869		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	2,500,000	0.0	4,525,869	0.0	0	0.0	7,025,869	0.0	0



**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**



**6c. Provide the number of clients/individuals served, if applicable.**

Users of Dental Services Average/Month		
SFY	Actual	Projected
2005	16,039	15,624
2006	9,286	7,293
2007	5,959	11,605
2008		7,082
2009		8,416
2010		10,002

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
Dental Rate Increase - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	2,757,806	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,757,806	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,757,806</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$1,020,388	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$1,737,418	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
Dental Rate Increase - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,273,305	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,273,305	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,273,305</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$1,211,123	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$2,062,182	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CHILDREN'S HEALTH INS PROGRAM								
Dental Rate Increase - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	980,120	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	980,120	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$980,120	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$253,851	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$726,269	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>STATE MEDICAL</b>								
Dental Rate Increase - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	14,638	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	14,638	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$14,638</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$14,638	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 999**

Department: Social Services  
Division: MO HealthNet Division  
DI Name: Tobacco Cessation

Budget Unit: 90541C, 90544C  
DI#: 1886038

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD		5,444,460	3,197,540	8,642,000
TRF				
Total		5,444,460	3,197,540	8,642,000

FTE

0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthy Families Trust Fund (0625)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input checked="" type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI Synopsis: This funding is requested to provide a new Smoking Cessation benefit for MO HealthNet participants.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The cost of a smoking cessation program was calculated by taking the current MO HealthNet population age 18 and older (458,212) and multiplying that by the number of smokers (32.5%, based on data from the ASH - Action on Smoking and Health), to arrive at approximately 149,000 smokers. It is assumed that 10% of these smokers would participate in a smoking cessation program, which would be 14,900 MO HealthNet participants. Cost assumptions include a pharmacy benefit @ \$325, a physician's visit @ \$30 and counseling. The recommendation assumes that DSS will be able to work with the drug manufacturers to include counseling for some MO HealthNet participants in the drug cost.

	Total	Tobacco	Federal
Pharmacy	4,842,500	1,791,725	3,050,775
Physician Related	3,799,500	1,405,815	2,393,685
Total	8,642,000	3,197,540	5,444,460

<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>									
<b>Budget Object Class/Job Class</b>	<b>Dept Req GR DOLLARS</b>	<b>Dept Req GR FTE</b>	<b>Dept Req FED DOLLARS</b>	<b>Dept Req FED FTE</b>	<b>Dept Req OTHER DOLLARS</b>	<b>Dept Req OTHER FTE</b>	<b>Dept Req TOTAL DOLLARS</b>	<b>Dept Req TOTAL FTE</b>	<b>Dept Req One-Time DOLLARS</b>
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions									
<b>Total PSD</b>	0		0		0		0		0
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	0	0.0	0	0.0	0	0.0	0	0.0	0



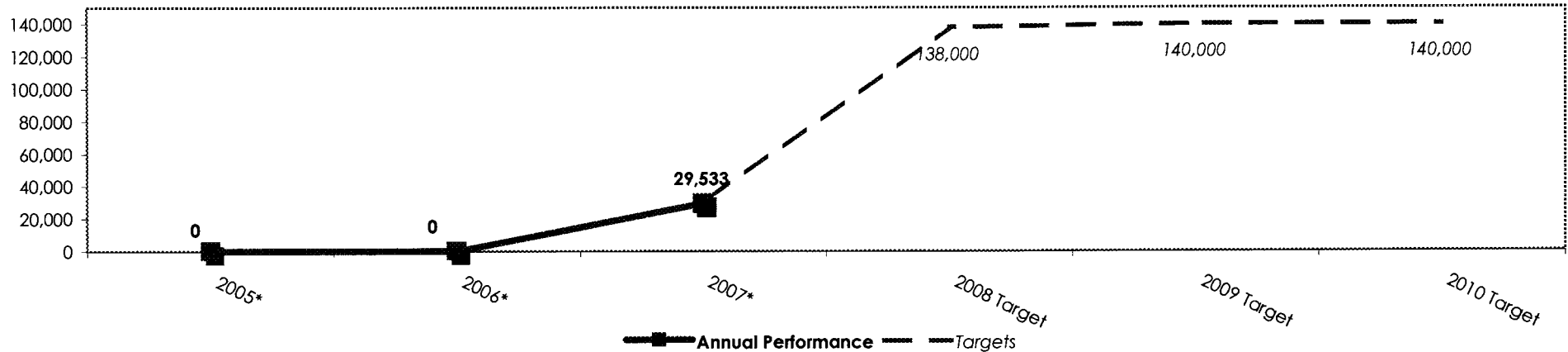
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions			5,444,460		3,197,540		8,642,000		
Total PSD	0		5,444,460		3,197,540		8,642,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	5,444,460	0.0	3,197,540	0.0	8,642,000	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**Increase MO HealthNet/MO HealthNet Managed Care Participants in a Chronic Care Improvement Program**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	Smoking Cessation Participants	
	Actual	Projected
2005	N/A	
2006	N/A	
2007	N/A	
2008		N/A
2009		14,892
2010		15,290

**6d. Provide a customer satisfaction measure, if available.**

#### **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

Focus on clinical areas for improvement and provide clinical education where appropriate.

Reinforce clinical areas for improvement and provide clinical education where appropriate.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
Tobacco Cessation Pharmacy - 1886038								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	4,842,500	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	4,842,500	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$4,842,500</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
<b>FEDERAL FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$3,050,775	0.00
<b>OTHER FUNDS</b>								
	\$0	0.00	\$0	0.00	\$0	0.00	\$1,791,725	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
Tobacco Cessation Pharmacy - 1886038								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,799,500	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,799,500	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$3,799,500</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$2,393,685	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$1,405,815	0.00



**NEW DECISION ITEM**

**RANK: 999**

Department: Social Services  
 Division: MO HealthNet Division  
 DI Name: SB 16-Comprehensive Eye Exams

Budget Unit: 90512C, 90544C, 90550C, 90585C, 90556C

DI#: 1886041

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE	50,000	50,000		100,000
PSD	485,251	837,987		1,323,238
TRF				
Total	<b>535,251</b>	<b>887,987</b>		<b>1,423,238</b>

FTE

0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI Synopsis: Funding to provide eye exams for children enrolling in kindergarten or first grade.*

Senate Bill 16 passed during the FY 2007 legislative session requires that every child enrolling in kindergarten or first grade in a public school to receive one comprehensive vision examination performed by a state licensed optometrist or ophthalmologist beginning July 1, 2008. State authority for this program is RSMo, 167.194.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

MO HealthNet currently covers vision screenings, exams and services performed by an optometrist or ophthalmologist for children. In FY06 there were 34,978 eligible Fee-for-Service (FFS) children aged five, six or seven of whom 5,057 received an eye exam. With all children enrolling in kindergarten or first grade required to receive a comprehensive eye exam the number of exams given will increase by 29,921 (34,978 - 5,057 = 29,921). The average reimbursement for eye exams is \$42.32. An annual inflation factor of 4.5% was applied to the cost  $[(29,921 \times 42.32) \times 4.5\%] = \$1,323,238$ .

Children covered by MO HealthNet Managed Care plans are currently eligible to receive an annual eye exam. MHD pays a monthly capitated rate that includes this service and in FY06 there were 51,052 MO HealthNet Managed Care children aged five, six or seven. If the utilization of a currently covered benefit increases the capitated rates MHD pays could be affected. An actuarial analysis will need to be conducted to determine whether or not rates will be affected. The cost of the actuarial analysis will be \$100,000.

	GR	Federal	Total
Physician	38,508	65,569	104,077
Rehab	421,567	717,803	1,139,370
State Medical	6,087	0	6,087
S-CHIP	19,089	54,615	73,704
Admin - Actuarial Study	50,000	50,000	100,000
Total Cost	\$535,251	\$887,987	\$1,423,238

<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)									
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0



5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	50,000		50,000				100,000		
Total EE	50,000		50,000		0		100,000		0
Program Distributions	485,251		837,987				1,323,238		
Total PSD	485,251		837,987		0		1,323,238		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	535,251	0.0	887,987	0.0	0	0.0	1,423,238	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

- 6a. Provide an effectiveness measure.**
- 6b. Provide an efficiency measure.**
- 6c. Provide the number of clients/individuals served, if applicable.**
- 6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Identify providers currently serving the targeted population to invite them to participate in the chronic care improvement program.
- Make personal visits with providers to explain the program and assist with enrollment paperwork.
- Focus on clinical benefits of their participation as well as showing providers the financial incentives.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Dedicated help desk for provider support.
- Evaluate edits causing the largest denials.
- Post on the Internet the most common billing errors and how to avoid them.
- Conduct provider education seminars.
- Assure provider manuals are updated timely.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
PROFESSIONAL SERVICES	0	0.00	0	0.00	0	0.00	100,000	0.00
TOTAL - EE	0	0.00	0	0.00	0	0.00	100,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$100,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$50,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$50,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	104,077	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	104,077	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$104,077</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$38,508	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$65,569	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
REHAB AND SPECIALTY SERVICES								
SB 16 Comprehensive Eye Exams - 1886041								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,139,370	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,139,370	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$1,139,370	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$421,567	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$717,803	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
SB 16 Comprehensive Eye Exams - 1886041								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	73,704	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	73,704	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$73,704</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$19,089	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$54,615	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
STATE MEDICAL								
SB 16 Comprehensive Eye Exams - 1886041								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	6,087	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	6,087	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$6,087	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$6,087	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00





# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MO HEALTHNET ADMIN</b>									
<b>CORE</b>									
<b>PERSONAL SERVICES</b>									
GENERAL REVENUE	3,104,037	84.70	3,304,857	85.03	3,304,857	85.03	3,304,857	85.03	
DEPT OF SOC SERV FEDERAL & OTH	4,902,659	133.58	5,349,536	136.49	5,349,536	136.49	5,349,536	136.49	
PHARMACY REBATES	12,276	0.40	18,317	0.50	18,317	0.50	18,317	0.50	
THIRD PARTY LIABILITY COLLECT	294,560	8.03	343,412	11.79	343,412	11.79	343,412	11.79	
PHARMACY REIMBURSEMENT ALLOWAN	21,477	0.49	24,370	0.50	24,370	0.50	24,370	0.50	
NURSING FAC QUALITY OF CARE	75,313	2.07	78,168	2.45	78,168	2.45	78,168	2.45	
HEALTH INITIATIVES	273,444	8.01	294,947	9.35	294,947	9.35	294,947	9.35	
MISSOURI RX PLAN FUND	672,583	15.80	708,794	17.00	708,794	17.00	708,794	17.00	
TOTAL - PS	9,356,349	253.08	10,122,401	263.11	10,122,401	263.11	10,122,401	263.11	
<b>EXPENSE &amp; EQUIPMENT</b>									
GENERAL REVENUE	611,416	0.00	1,093,673	0.00	1,043,673	0.00	886,173	0.00	
DEPT OF SOC SERV FEDERAL & OTH	3,035,391	0.00	3,854,897	0.00	3,804,897	0.00	3,647,397	0.00	
PHARMACY REBATES	1,960	0.00	5,110	0.00	5,110	0.00	5,110	0.00	
THIRD PARTY LIABILITY COLLECT	476,429	0.00	495,188	0.00	495,188	0.00	495,188	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	375	0.00	375	0.00	375	0.00	
NURSING FAC QUALITY OF CARE	0	0.00	10,281	0.00	10,281	0.00	10,281	0.00	
HEALTH INITIATIVES	1,489	0.00	31,385	0.00	31,385	0.00	31,385	0.00	
MISSOURI RX PLAN FUND	55,404	0.00	57,800	0.00	57,800	0.00	57,800	0.00	
TOTAL - EE	4,182,089	0.00	5,548,709	0.00	5,448,709	0.00	5,133,709	0.00	
<b>PROGRAM-SPECIFIC</b>									
DEPT OF SOC SERV FEDERAL & OTH	6	0.00	1,030	0.00	1,030	0.00	1,030	0.00	
TOTAL - PD	6	0.00	1,030	0.00	1,030	0.00	1,030	0.00	
<b>TOTAL</b>	<b>13,538,444</b>	<b>253.08</b>	<b>15,672,140</b>	<b>263.11</b>	<b>15,572,140</b>	<b>263.11</b>	<b>15,257,140</b>	<b>263.11</b>	
<b>GENERAL STRUCTURE ADJUSTMENT - 0000012</b>									
<b>PERSONAL SERVICES</b>									
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	116,636	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	142,997	0.00	
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	549	0.00	
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	10,304	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	731	0.00	
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	0	0.00	2,345	0.00	

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>GENERAL STRUCTURE ADJUSTMENT - 0000012</b>								
PERSONAL SERVICES								
HEALTH INITIATIVES	0	0.00	0	0.00	0	0.00	8,848	0.00
MISSOURI RX PLAN FUND	0	0.00	0	0.00	0	0.00	21,265	0.00
TOTAL - PS	0	0.00	0	0.00	0	0.00	303,675	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>303,675</b>	<b>0.00</b>
<b>CtoC MO HealthNet Prg Implemnt - 1886030</b>								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	379,025	0.00	379,025	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	379,025	0.00	379,025	0.00
TOTAL - EE	0	0.00	0	0.00	758,050	0.00	758,050	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>758,050</b>	<b>0.00</b>	<b>758,050</b>	<b>0.00</b>
<b>KC PACE Expansion - 1886026</b>								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	50,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	50,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	100,000	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>100,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	50,000	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	50,000	0.00
TOTAL - EE	0	0.00	0	0.00	0	0.00	100,000	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>100,000</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$13,538,444</b>	<b>253.08</b>	<b>\$15,672,140</b>	<b>263.11</b>	<b>\$16,430,190</b>	<b>263.11</b>	<b>\$16,418,865</b>	<b>263.11</b>

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## CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Administration

Budget Unit: 90512C

### 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS	3,304,857	5,349,536	1,468,008	10,122,401
EE	1,043,673	3,804,897	600,139	5,448,709
PSD		1,030		1,030
TRF				
<b>Total</b>	<b>4,348,530</b>	<b>9,155,463</b>	<b>2,068,147</b>	<b>15,572,140</b>
<b>FTE</b>	<b>85.03</b>	<b>136.49</b>	<b>41.59</b>	<b>263.11</b>

<b>Est. Fringe</b>	1,644,497	2,661,929	730,481	5,036,907
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Rebates Fund (0114)  
Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Nursing Facility Quality of Care Fund (NFQC) (0271)  
Third Party Liability Collections Fund (TPL) (0120)  
MO Rx Plan Fund (0779)

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS	3,304,857	5,349,536	1,468,008	10,122,401
EE	886,173	3,647,397	600,139	5,133,709
PSD		1,030		1,030
TRF				
<b>Total</b>	<b>4,191,030</b>	<b>8,997,963</b>	<b>2,068,147</b>	<b>15,257,140</b>
<b>FTE</b>	<b>85.03</b>	<b>136.49</b>	<b>41.59</b>	<b>263.11</b>

<b>Est. Fringe</b>	1,644,497	2,661,929	730,481	5,036,907
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Rebates Fund (0114)  
Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Nursing Facility Quality of Care Fund (NFQC) (0271)  
Third Party Liability Collections Fund (TPL) (0120)  
MO Rx Plan Fund (0779)

### 2. CORE DESCRIPTION

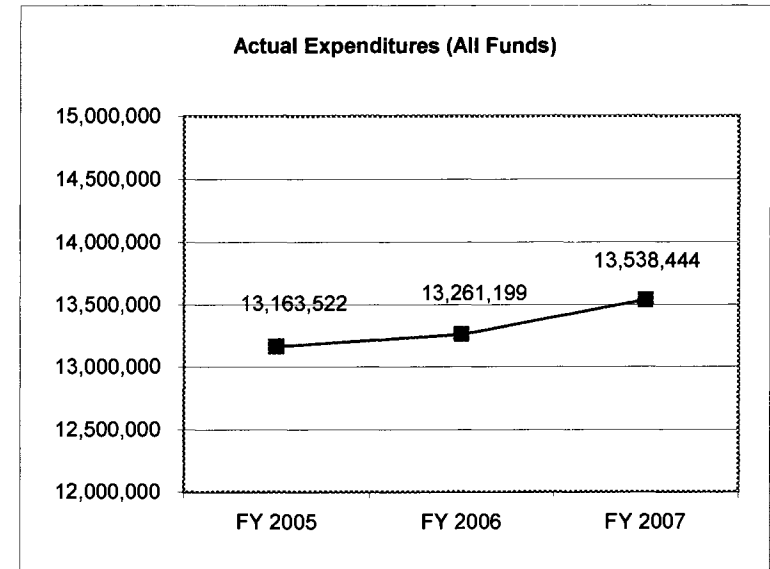
This core request is for the continued operation of the Mo HealthNet program. The MO HealthNet Division seeks to aid recipients and providers in their efforts to access the MO HealthNet program by utilizing administrative staffing, expense and equipment and contractor resources effectively.

### 3. PROGRAM LISTING (list programs included in this core funding)

MO Healthnet Division Administration

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	13,877,175	13,419,156	14,476,869	15,672,140
Less Reverted (All Funds)	(273,716)	(14,418)	(124,882)	N/A
Budget Authority (All Funds)	13,603,459	13,404,738	14,351,987	N/A
Actual Expenditures (All Funds)	13,163,522	13,261,199	13,538,444	N/A
Unexpended (All Funds)	439,937	143,539	813,543	N/A
Unexpended, by Fund:				
General Revenue	6,617	50,330	14,184	N/A
Federal	426,167	89,909	667,991	N/A
Other	7,153	3,300	131,368	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Agency reserve of \$381,459 in federal funds in PS.

(2) Agency reserve of \$621,701 in federal funds: \$290,000 in PS and \$331,701 in E & E.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET ADMIN

#### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				PS	263.11	3,304,857	5,349,536	1,468,008	10,122,401	
				EE	0.00	1,093,673	3,854,897	600,139	5,548,709	
				PD	0.00	0	1,030	0	1,030	
				<b>Total</b>	<b>263.11</b>	<b>4,398,530</b>	<b>9,205,463</b>	<b>2,068,147</b>	<b>15,672,140</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
1x Expenditures	884	6377	EE		0.00	(50,000)	0	0	(50,000)	Core cut one time actuary costs for Managed Care expansion to 21 contiguous counties
1x Expenditures	884	0215	EE		0.00	0	(50,000)	0	(50,000)	Core cut one time actuary costs for Managed Care expansion to 21 contiguous counties
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>0</b>	<b>(100,000)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PS	263.11	3,304,857	5,349,536	1,468,008	10,122,401	
				EE	0.00	1,043,673	3,804,897	600,139	5,448,709	
				PD	0.00	0	1,030	0	1,030	
				<b>Total</b>	<b>263.11</b>	<b>4,348,530</b>	<b>9,155,463</b>	<b>2,068,147</b>	<b>15,572,140</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reallocation	2230	6377	EE		0.00	(157,500)	0	0	(157,500)	Reallocation of outreach funding from admin to MC+ Enrollment
Core Reallocation	2230	0215	EE		0.00	0	(157,500)	0	(157,500)	Reallocation of outreach funding from admin to MC+ Enrollment
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(157,500)</b>	<b>(157,500)</b>	<b>0</b>	<b>(315,000)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PS	263.11	3,304,857	5,349,536	1,468,008	10,122,401	

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****MO HEALTHNET ADMIN**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	EE	0.00	886,173	3,647,397	600,139	5,133,709	
	PD	0.00	0	1,030	0	1,030	
	<b>Total</b>	<b>263.11</b>	<b>4,191,030</b>	<b>8,997,963</b>	<b>2,068,147</b>	<b>15,257,140</b>	

# FLEXIBILITY REQUEST FORM

**BUDGET UNIT NUMBER:** 90512C

**DEPARTMENT:** Social Services

**BUDGET UNIT NAME:** MO HealthNet Administration

**DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

## DEPARTMENT REQUEST

Section	PS or E&E	Core	% Flex Requested	Flex Requested Amount
	PS	\$10,122,401	20%	\$2,024,480
	E&E	\$5,449,739	20%	\$1,089,948
<i>Total Request</i>		\$15,572,140		\$3,114,428

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None	House Bill 11.400 language allows for up to 20% flexibility between personal service and equipment and expense. MO HealthNet does not have an estimate of the amount of that flexibility that might be used in FY 08.	20% flexibility is being requested for FY 09. MO HealthNet does not have an estimate of the amount of flexibility that might be used if approved.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
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No flexibility was used.

20% flexibility between personal service and equipment/expense was granted. At this time MO HealthNet does not have an estimate of the amount of flexibility that might be used in FY 08.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CORE</b>								
OFFICE SUPPORT ASST (CLERICAL)	47,029	2.14	62,564	2.50	62,564	2.50	62,564	2.50
SR OFC SUPPORT ASST (CLERICAL)	23,256	1.01	0	0.00	0	0.00	0	0.00
ADMIN OFFICE SUPPORT ASSISTANT	165,854	6.55	213,309	8.00	182,084	7.00	182,084	7.00
OFFICE SUPPORT ASST (KEYBRD)	104,483	4.88	147,509	6.01	147,509	6.01	147,509	6.01
SR OFC SUPPORT ASST (KEYBRD)	357,431	15.55	459,411	18.87	427,553	17.87	427,553	17.87
MAILING EQUIPMENT OPER	8,141	0.31	0	0.00	0	0.00	0	0.00
ACCOUNT CLERK II	137,682	5.87	150,063	6.00	150,063	6.00	150,063	6.00
AUDITOR II	48,054	1.42	228,412	7.24	217,912	7.24	217,912	7.24
AUDITOR I	104,391	3.38	0	0.00	0	0.00	0	0.00
SENIOR AUDITOR	230,432	5.95	248,444	6.00	248,444	6.00	248,444	6.00
AUDITOR III	9,967	0.20	0	0.00	0	0.00	0	0.00
ACCOUNTANT I	56,154	2.00	57,850	2.01	58,350	2.01	58,350	2.01
ACCOUNTANT III	150,637	3.88	179,014	4.00	170,996	4.00	170,996	4.00
PERSONNEL OFCR I	37,836	1.00	39,040	1.00	39,040	1.00	39,040	1.00
EXECUTIVE II	30,460	0.92	36,775	1.00	36,775	1.00	36,775	1.00
MANAGEMENT ANALYSIS SPEC II	255,160	5.96	261,131	6.00	266,131	6.00	266,131	6.00
HEALTH PROGRAM REP II	189	0.01	0	0.00	0	0.00	0	0.00
HEALTH PROGRAM REP III	46,960	1.15	107,911	2.00	42,976	1.00	42,976	1.00
PERSONNEL CLERK	0	0.00	28,717	1.00	28,717	1.00	28,717	1.00
PHYSICIAN III	103,070	1.01	106,332	1.00	106,332	1.00	106,332	1.00
REGISTERED NURSE III	84,641	2.00	92,059	2.00	91,659	2.00	91,659	2.00
REGISTERED NURSE IV	156,584	3.12	205,345	4.00	205,345	4.00	205,345	4.00
REGISTERED NURSE V	57,801	1.00	59,526	1.00	59,926	1.00	59,926	1.00
PHARMACEUTICAL CNSLT	0	0.00	285,821	2.00	285,821	2.00	285,821	2.00
PROGRAM DEVELOPMENT SPEC	391,833	10.16	435,742	11.00	402,742	10.00	402,742	10.00
MEDICAID PROGRAM RELATIONS REP	117,197	3.00	121,025	3.00	121,025	3.00	121,025	3.00
CORRESPONDENCE & INFO SPEC I	782,321	23.28	736,773	21.58	736,773	21.58	736,773	21.58
MEDICAID PHARMACEUTICAL TECH	210,979	7.06	235,520	7.00	437,705	13.00	437,705	13.00
MEDICAID CLERK	379,283	14.45	404,928	14.57	394,928	14.57	394,928	14.57
MEDICAID TECHNICIAN	1,054,072	34.86	1,215,687	39.36	1,022,607	33.36	1,022,607	33.36
MEDICAID SPEC	1,399,844	38.61	1,489,898	40.00	1,484,836	40.00	1,484,836	40.00
MEDICAID UNIT SPV	503,408	11.77	476,320	11.00	622,070	14.00	622,070	14.00



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CORE</b>								
LABORER II	4,187	0.20	0	0.00	0	0.00	0	0.00
FISCAL & ADMINISTRATIVE MGR B1	125,573	2.80	145,157	3.00	145,157	3.00	145,157	3.00
FISCAL & ADMINISTRATIVE MGR B2	172,145	3.00	179,003	3.00	179,003	3.00	179,003	3.00
RESEARCH MANAGER B1	50,151	0.99	51,739	1.00	51,739	1.00	51,739	1.00
SOCIAL SERVICES MGR, BAND 1	50,152	1.00	51,739	1.00	51,739	1.00	51,739	1.00
SOCIAL SERVICES MNGR, BAND 2	564,064	10.84	673,735	12.02	673,735	12.02	673,735	12.02
DESIGNATED PRINCIPAL ASST DEPT	66,888	0.80	0	0.00	0	0.00	0	0.00
DIVISION DIRECTOR	38,083	0.42	94,479	1.00	94,479	1.00	94,479	1.00
DEPUTY DIVISION DIRECTOR	224,628	2.00	79,710	1.00	79,710	1.00	79,710	1.00
DESIGNATED PRINCIPAL ASST DIV	130,554	1.76	238,873	3.00	238,873	3.00	238,873	3.00
LEGAL COUNSEL	67,344	1.01	69,477	1.00	69,477	1.00	69,477	1.00
CLERK	43,812	2.28	0	0.00	0	0.00	0	0.00
TYPIST	20,199	1.06	0	0.00	0	0.00	0	0.00
OFFICE WORKER MISCELLANEOUS	1,890	0.10	0	0.00	0	0.00	0	0.00
MISCELLANEOUS TECHNICAL	29,956	1.02	0	0.00	0	0.00	0	0.00
MISCELLANEOUS PROFESSIONAL	6,150	0.06	0	0.00	0	0.00	0	0.00
SPECIAL ASST OFFICIAL & ADMSTR	62,123	0.63	0	0.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	523,622	7.20	376,041	5.95	410,284	6.95	410,284	6.95
SPECIAL ASST TECHNICIAN	46,272	1.39	0	0.00	0	0.00	0	0.00
SPECIAL ASST OFFICE & CLERICAL	73,407	2.02	77,322	2.00	77,322	2.00	77,322	2.00
<b>TOTAL - PS</b>	<b>9,356,349</b>	<b>253.08</b>	<b>10,122,401</b>	<b>263.11</b>	<b>10,122,401</b>	<b>263.11</b>	<b>10,122,401</b>	<b>263.11</b>
TRAVEL, IN-STATE	25,140	0.00	47,752	0.00	47,752	0.00	47,752	0.00
TRAVEL, OUT-OF-STATE	12,698	0.00	8,914	0.00	8,914	0.00	8,914	0.00
SUPPLIES	600,907	0.00	568,008	0.00	568,008	0.00	568,008	0.00
PROFESSIONAL DEVELOPMENT	13,664	0.00	10,603	0.00	13,603	0.00	13,603	0.00
COMMUNICATION SERV & SUPP	128,844	0.00	158,392	0.00	155,392	0.00	155,392	0.00
PROFESSIONAL SERVICES	3,234,955	0.00	4,655,517	0.00	4,555,517	0.00	4,240,517	0.00
M&R SERVICES	28,848	0.00	62,507	0.00	52,507	0.00	52,507	0.00
MOTORIZED EQUIPMENT	13,368	0.00	0	0.00	0	0.00	0	0.00
OFFICE EQUIPMENT	26,278	0.00	3,965	0.00	13,965	0.00	13,965	0.00
OTHER EQUIPMENT	23,081	0.00	1,000	0.00	1,000	0.00	1,000	0.00
PROPERTY & IMPROVEMENTS	24,007	0.00	0	0.00	0	0.00	0	0.00

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CORE</b>								
REAL PROPERTY RENTALS & LEASES	7,631	0.00	1,930	0.00	1,930	0.00	1,930	0.00
EQUIPMENT RENTALS & LEASES	246	0.00	121	0.00	121	0.00	121	0.00
MISCELLANEOUS EXPENSES	42,422	0.00	30,000	0.00	30,000	0.00	30,000	0.00
TOTAL - EE	4,182,089	0.00	5,548,709	0.00	5,448,709	0.00	5,133,709	0.00
PROGRAM DISTRIBUTIONS	6	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL - PD	6	0.00	1,030	0.00	1,030	0.00	1,030	0.00
<b>GRAND TOTAL</b>	<b>\$13,538,444</b>	<b>253.08</b>	<b>\$15,672,140</b>	<b>263.11</b>	<b>\$15,572,140</b>	<b>263.11</b>	<b>\$15,257,140</b>	<b>263.11</b>
GENERAL REVENUE	\$3,715,453	84.70	\$4,398,530	85.03	\$4,348,530	85.03	\$4,191,030	85.03
FEDERAL FUNDS	\$7,938,056	133.58	\$9,205,463	136.49	\$9,155,463	136.49	\$8,997,963	136.49
OTHER FUNDS	\$1,884,935	34.80	\$2,068,147	41.59	\$2,068,147	41.59	\$2,068,147	41.59

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: MO HealthNet Administration**

**Program is found in the following core budget(s): MO HealthNet Administration**

### 1. What does this program do?

*PROGRAM SYNOPSIS: These staff administer the MO HealthNet/Managed Care program. This appropriation funds administrative staffing, expense and equipment and contractor resources.*

In order to efficiently operate the \$4.6 billion MO HealthNet program, the MO HealthNet Division effectively utilizes its staff of 263.11 FTE. Without these staff and expense and equipment resources, the MO HealthNet program would not function. The staff running the MO HealthNet program account for less than .5% of total state employees while the MO HealthNet program comprises more than 21% of the total FY 2008 state operating budget of \$21.5 billion. The Administrative portion of the budget (Personal Services and Expense and Equipment) comprises less than 0.4% of the division's total budget. As of June 2007, there were a total of 822,749 participants enrolled in MO HealthNet for a ratio of 3,080 clients per FTE. Participants and providers benefit from the assistance of the Mo HealthNet Divisions' staff.

Administrative expenditures for the division consist of Personal Services and Expense and Equipment. These expenditures are driven by the operational demands of the Title XIX program and a number of state-only programs. At the present time, the division operates both a fee-for-service program and a managed care program. As of June 2007, there are 360,703 participants eligible for capitated managed care in the Eastern, Central and Western regions of the state. At the same time, fee-for-service programs with 462,046 MO HealthNet eligibles are being operated for those not in managed care. Administrative expenditures also include payment of contractors providing professional services. One such contract is with APS Healthcare that administers the Chronic Care Improvement Program (CCIP). CCIP is an enhanced primary care case management program that incorporates the principles of disease management, care coordination and case management to serve patients identified through a risk assessment and disease stratification model.

Focus of staff is to ensure eligible participants receive needed services and providers receive timely and proper payment for services provided. Staff monitor utilization and program compliance of MO HealthNet providers and participants to identify fraud, waste and abuse of MO HealthNet dollars using a Fraud and Abuse Detection System.

#### Personal Services

The Division is restructured into two major sections: (1) Finance and Operations and (2) Clinical Services. The Finance and Operations section incorporates the newest and best technology to accurately and efficiently pay providers in a paperless environment. Technology will provide a robust reporting function that will be a critical part of the management responsibilities of the agency. The Finance, Information Services and Program Management Units comprise the Finance and Operations section. The Program Integrity, Third Party Liability, and Medicare units have been combined into one unit called Program Integrity and Cost Recovery which is a part of Finance and Operations as well.

Program development and policy decisions will come from the Clinical Services section, allowing for policy decisions and processes to be oriented to the health and continuum of care needed by participants. Pharmacy enhancement, exceptions, pharmacy rebate, MoRx plan, psychology program and clinical program development will make-up Clinical Services.

A brief description of the agency's structure follows:

The Administrative Section, which includes the Office of the Director, Deputy Division Directors and Legal Counsel, provides executive management support for the division. The section consists of 9 FTE.

(1) The Finance and Operations Section has a total of 199 FTE, and includes the following:

- \* The Finance Section, which consists of Cash Control, Budget, Institutional Reimbursement and Office Services, performs rate setting for institutions and managed care, accounting functions, auditing, premium collections, budgeting and office services. There are 37 FTE performing the Finance Section functions.

- \* Program Management Section has the dual responsibility of coordinating service delivery for recipients under both the managed care and fee-for-service programs. In addition, provider relations and recipient services are responsibilities of this section. A total of 67 FTE are assigned to the section's functions.

- \* The Information Services Section is responsible for all management information system functions. Provider enrollment is also a responsibility of this section. There are a total of 25 FTE in the section.

- \* The Program Integrity and Cost Recovery Section has responsibility for Program Integrity, Third Party Liability, and Medicare buy-in. There are a total of 70 FTE in the section.

(2) The Clinical Services Section has a total of 55 FTE, and includes the following:

- \* The Pharmacy Section is responsible for the management of quality assessment, exceptions, rebates and program operations for pharmacy services under both the managed care and fee-for-service programs. There are 42 FTE designated to perform these duties.

- \* The Clinical Program Development and the Psychology Program is responsible for program development and policy decisions based on clinical criteria. There are 11 FTE in the section.

- \* The Missouri Rx Plan Section is responsible for coordinating pharmaceutical benefits between the Missouri Rx plan and the federal Medicare Part D drug program for Medicare/Medicaid dual eligibles and other elderly and disabled Missourians below 200% of FPL. There are 2 FTE in the section.

#### Expense and Equipment

The other major category in the Administration Core besides Personal Services is Expense and Equipment (E&E). In the FY 2008 core, it comprises 35% of the total Administration Core of \$15.7 million, or approximately \$5.5 million.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

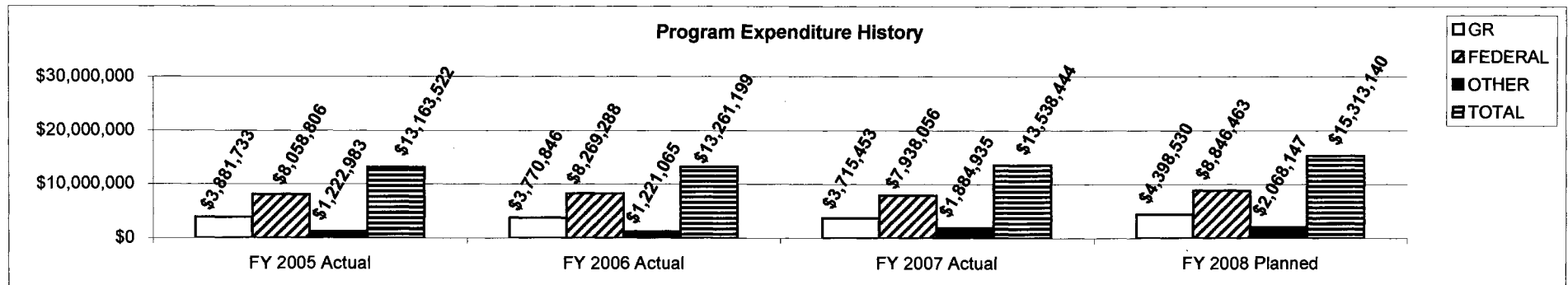
### **3. Are there federal matching requirements? If yes, please explain.**

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

**4. Is this a federally mandated program? If yes, please explain.**

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the MO HealthNet State Plan.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

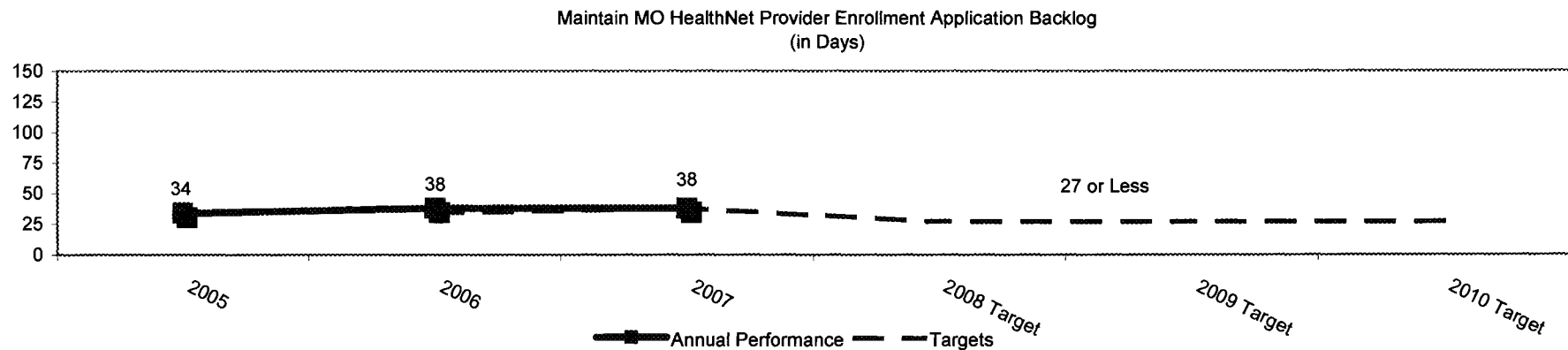


**6. What are the sources of the "Other" funds?**

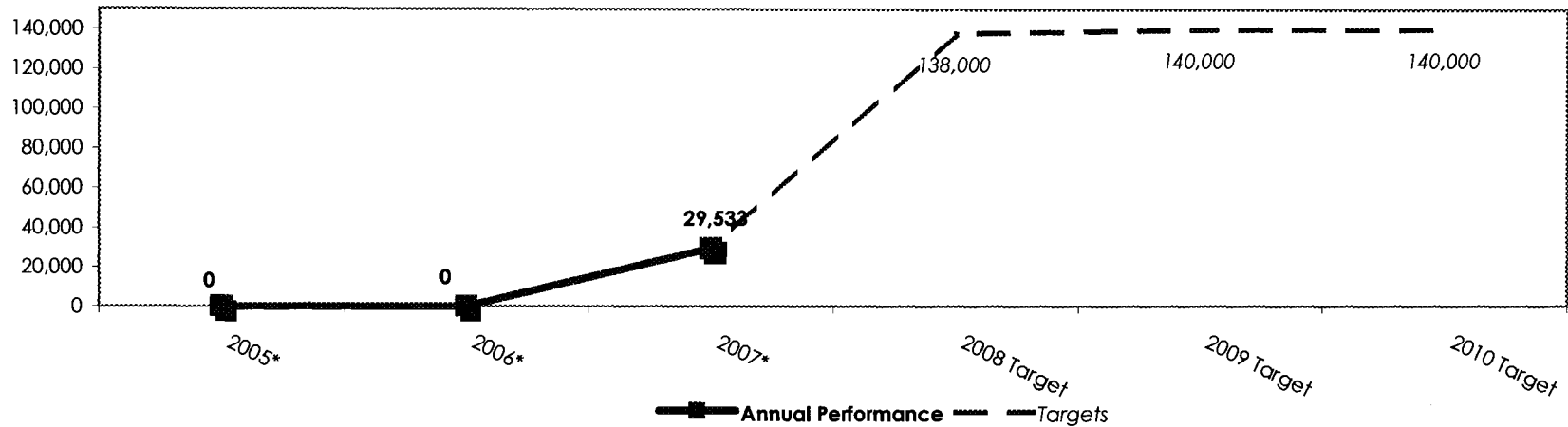
Pharmacy Rebates Fund (0114), Third Party Liability Collections Fund (0120), Nursing Facility Quality of Care Fund (0271), Health Initiatives Fund (0275), Pharmacy Reimbursement Allowance Fund (0144), and Missouri Rx Plan Fund (0779).

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**



**Increase MO HealthNet/MO HealthNet Managed Care Participants in a Chronic Care Improvement Program**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**7c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**7d. Provide a customer satisfaction measure, if available.**

**NEW DECISION ITEM  
RANK: 21**

Department: Social Services

Budget Unit: 90512C

Division: MO HealthNet

DI Name: Cost-to-Continue--SB 577-MO HealthNet Program Implementation

DI#: 1886030

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	379,025	379,025		758,050
PSD				
TRF				
<b>Total</b>	<b>379,025</b>	<b>379,025</b>		<b>758,050</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Fed	Other	Total
PS				
EE	379,025	379,025		758,050
PSD				
TRF				
<b>Total</b>	<b>379,025</b>	<b>379,025</b>		<b>758,050</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: Funding is requested to provide support for the members of the various committees established in SB577 and to complete reports as required in SB 577.

SB 577 established three committees: Professional Services Payment Committee (208.197 RSMo), Joint Committee on MO HealthNet (208.952 RSMo), and MO HealthNet Oversight Committee (208.955 RSMo).

SB 577 also required numerous reports to be completed by set timeframes.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The three committees established in SB 577 have a total of 46 committee members. Based on expenses associated with several established committees, it is estimated that the annual cost per committee member is \$175. Therefore, the total cost for these committees is \$8,050 (46 X \$175). In order to provide data /assistance to the committees and to comply with SB 577 reporting requirements, \$750,000 is requested for a contractor who will provide assistance in the reporting, research, surveys, etc.

	Total	GR	Federal
Committee Expense	8,050	4,025	4,025
Contract Expense	750,000	375,000	375,000
Total	\$758,050	\$379,025	\$379,025

<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	375,000		375,000				750,000		
Travel (140)	4,025		4,025				8,050		
Total EE	379,025		379,025		0		758,050		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	379,025	0.0	379,025	0.0	0	0.0	758,050	0.0	0



5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	375,000		375,000				750,000		
Travel (140)	4,025		4,025				8,050		
Total EE	379,025		379,025		0		758,050		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	379,025	0.0	379,025	0.0	0	0.0	758,050	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

- 6a. Provide an effectiveness measure.**
- 6b. Provide an efficiency measure.**
- 6c. Provide the number of clients/individuals served, if applicable.**
- 6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Support committees established in SB 577.
- Complete reports for distribution as required by SB 577.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>CtoC MO HealthNet Prg Implemnt - 1886030</b>								
TRAVEL, IN-STATE	0	0.00	0	0.00	8,050	0.00	8,050	0.00
PROFESSIONAL SERVICES	0	0.00	0	0.00	750,000	0.00	750,000	0.00
TOTAL - EE	0	0.00	0	0.00	758,050	0.00	758,050	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$758,050</b>	<b>0.00</b>	<b>\$758,050</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$379,025	0.00	\$379,025	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$379,025	0.00	\$379,025	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 37**

Department: Social Services  
Division: MO HealthNet Division  
DI Name: PACE Kansas City Expansion

Budget Unit: 90512C  
DI#: 1886026

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	50,000	50,000		100,000
PSD				
TRF				
<b>Total</b>	<b>50,000</b>	<b>50,000</b>		<b>100,000</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
<b>Total</b>				<b>0</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Supplemental
<input type="checkbox"/> Federal Mandate	<input checked="" type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funding is requested to complete an actuarial study of enrollment and rates to expand the Program of All Inclusive Care for the Elderly (PACE) into Kansas City.*

The MO HealthNet Division (MHD) is considering expanding the PACE program into the Kansas City area. A feasibility study has been done by the provider (John Knox Village) in the Kansas City area. It is estimated the review and implementation will take 18 months. Expected opening of the PACE site would be FY 10.

Federal regulation: 42 CFR 460. The PACE program is not a federally mandated program. There are no state regulations governing the PACE program.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The MO HealthNet Division (MHD) is considering expanding the PACE program into the Kansas City area. The expansion is currently planned to begin in FY 2010. MHD requests funding in FY 2009 for actuary costs for the development of rates.

	Total	GR	Federal
Actuary costs for study	\$100,000	\$50,000	\$50,000

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	50,000		50,000				100,000		100,000
Total EE	50,000		50,000		0		100,000		100,000
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	50,000	0	50,000	0	0	0	100,000	0	100,000

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec FTE	GR	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0		0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	0			0				0		
Total EE	0			0		0		0		0
Program Distributions								0		
Total PSD	0			0		0		0		0
Transfers										
Total TRF	0			0		0		0		0
Grand Total	0		0	0	0	0	0	0	0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

	PACE Participants		
	SFY	Actual	Projected
Currently, all PACE participants live in the St. Louis area.	2005	164	
	2006	162	
	2007	162	
	2008		187
	2009		197
	2010		225

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Work with the Department of Health and Senior Services (DHSS) and Personal Independence Commission (PIC) to develop outreach materials and training on providing informed choice about long term care options.
- Make training available to hospital discharge planners regarding community options by incorporating it into the Informed Choice Training program.
- Plan a process that would allow an individual discharged from the hospital to a nursing home (for recovery) to maintain existing community supports to ensure best possible chance of returning to the community.
- Work to make program modifications that allow an array of options which support consumer choice in community based service delivery.



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HEALTHNET ADMIN</b>								
<b>KC PACE Expansion - 1886026</b>								
PROFESSIONAL SERVICES	0	0.00	0	0.00	100,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	100,000	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$100,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$50,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$50,000	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	FTE
<b>HEALTHCARE TECHNOLOGY</b>									
<b>CORE</b>									
<b>EXPENSE &amp; EQUIPMENT</b>									
DEPT OF SOC SERV FEDERAL & OTH	1,738,846	0.00	0	0.00	0	0.00	0	0.00	0.00
HEALTH CARE TECHNOLOGY FUND	1,951,121	0.00	0	0.00	0	0.00	0	0.00	0.00
TOTAL - EE	3,689,967	0.00	0	0.00	0	0.00	0	0.00	0.00
<b>PROGRAM-SPECIFIC</b>									
DEPT OF SOC SERV FEDERAL & OTH	147,428	0.00	2,375,000	0.00	0	0.00	0	0.00	0.00
HEALTH CARE TECHNOLOGY FUND	147,428	0.00	5,875,000	0.00	2,500,000	0.00	2,500,000	0.00	0.00
TOTAL - PD	294,856	0.00	8,250,000	0.00	2,500,000	0.00	2,500,000	0.00	0.00
<b>TOTAL</b>	<b>3,984,823</b>	<b>0.00</b>	<b>8,250,000</b>	<b>0.00</b>	<b>2,500,000</b>	<b>0.00</b>	<b>2,500,000</b>	<b>0.00</b>	<b>0.00</b>
<b>Health Care Tech Initiatives - 1886025</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	0	0.00	2,500,000	0.00	0	0.00	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	2,500,000	0.00	2,500,000	0.00	0.00
HEALTH CARE TECHNOLOGY FUND	0	0.00	0	0.00	0	0.00	2,500,000	0.00	0.00
TOTAL - PD	0	0.00	0	0.00	5,000,000	0.00	5,000,000	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>5,000,000</b>	<b>0.00</b>	<b>5,000,000</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$3,984,823</b>	<b>0.00</b>	<b>\$8,250,000</b>	<b>0.00</b>	<b>\$7,500,000</b>	<b>0.00</b>	<b>\$7,500,000</b>	<b>0.00</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Health Care Technology

Budget Unit: 90518C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD			2,500,000	2,500,000
TRF				
Total			2,500,000	2,500,000
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Health Care Technology Fund (0170)

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD			2,500,000	2,500,000
TRF				
Total			2,500,000	2,500,000
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Health Care Technology Fund (0170)

## 2. CORE DESCRIPTION

This core request is for the continued funding of health care technology to be used to improve health care delivery efficiency. Remaining core funds are designated to develop the infrastructure to support electronic medical records.

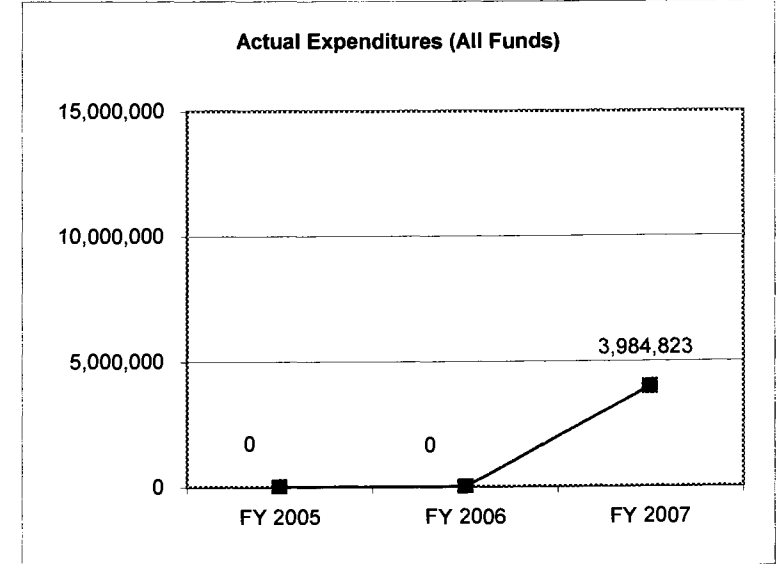
## 3. PROGRAM LISTING (list programs included in this core funding)

Health Care Technology

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	0	9,550,000	8,250,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	9,550,000	N/A
Actual Expenditures (All Funds)	0	0	3,984,823	N/A
Unexpended (All Funds)	0	0	5,565,177	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	2,713,726	N/A
Other	0	0	0	N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) This is a new appropriation.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**HEALTHCARE TECHNOLOGY**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>				PD	0.00	0	2,375,000	5,875,000	8,250,000	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>2,375,000</b>	<b>5,875,000</b>	<b>8,250,000</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	893	2910	PD		0.00	0	0	(1,000,000)	(1,000,000)	Core cut Electronic Medical Records St. Louis pilot one time funding from the Health Care Technology fund
Core Reallocation	945	2911	PD		0.00	0	(1,875,000)	0	(1,875,000)	Transfer CyberAccess funding to Clinical Services Program Management
Core Reallocation	945	2910	PD		0.00	0	0	(1,875,000)	(1,875,000)	Transfer CyberAccess funding to Clinical Services Program Management
Core Reallocation	946	2911	PD		0.00	0	(300,000)	0	(300,000)	Transfer Business and Clinical Intelligence Tool funding to Clinical Services Program Management
Core Reallocation	946	2910	PD		0.00	0	0	(300,000)	(300,000)	Transfer Business and Clinical Intelligence Tool funding to Clinical Services Program Management
Core Reallocation	947	2911	PD		0.00	0	(200,000)	0	(200,000)	Transfer Home Telemonitoring funding to Hospital section
Core Reallocation	947	2910	PD		0.00	0	0	(200,000)	(200,000)	Transfer Home Telemonitoring funding to Hospital section
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>0</b>	<b>(2,375,000)</b>	<b>(3,375,000)</b>	<b>(5,750,000)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	0	0	0	0	
				PD	0.00	0	0	2,500,000	2,500,000	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>2,500,000</b>	<b>2,500,000</b>	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES  
HEALTHCARE TECHNOLOGY

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	0	0	0	
	PD	0.00	0	0	2,500,000	2,500,000	
	Total	0.00	0	0	2,500,000	2,500,000	



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HEALTHCARE TECHNOLOGY								
CORE								
PROFESSIONAL SERVICES	3,689,967	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	3,689,967	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	294,856	0.00	8,250,000	0.00	2,500,000	0.00	2,500,000	0.00
TOTAL - PD	294,856	0.00	8,250,000	0.00	2,500,000	0.00	2,500,000	0.00
GRAND TOTAL	\$3,984,823	0.00	\$8,250,000	0.00	\$2,500,000	0.00	\$2,500,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$1,886,274	0.00	\$2,375,000	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$2,098,549	0.00	\$5,875,000	0.00	\$2,500,000	0.00	\$2,500,000	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Healthcare Technology**

**Program is found in the following core budget(s): Healthcare Technology**

### 1. What does this program do?

*PROGRAM SYNOPSIS: This program uses technology to improve the delivery of care, reduce administrative burdens and reduce waste fraud and abuse.*

This program explores new and innovative ideas on ways that technology can improve the delivery of care, reduce administrative burdens and reduce waste, fraud and abuse. The MO HealthNet Division is committed to identifying MO HealthNet overpayments and combating fraud, waste and abuse of MO HealthNet dollars. MO HealthNet also recognizes the need to invest in improving the talent and tools used to prevent, identify and deter fraud and abuse in Missouri MO HealthNet programs.

Funding is used to implement some of the Medicaid Reform Commission recommendations, such as expansion and increased use of technology in healthcare including electronic health records, community health records, personal health records and e-prescribing. Electronic health records (EHRs) are an important tool in healthcare that assists in providing safe, effective healthcare to patients.

MO HealthNet is in the process of implementing a Chronic Care Improvement Program (CCIP). The CCIP is basically an enhanced primary care case management program incorporating the tenets of disease management, care coordination and case management to a patient base selected by a risk assessment model. The CCIP goals are to improve health care quality for patients with chronic illness and decrease complications, resulting in reduced cost. The program will increase involvement of a central primary health care provider (e.g., patients will receive extra time and attention), empower patients to perform healthcare self-management, and utilize existing community resources and health infrastructures through care coordination. Within the System component, the contractor will provide an Internet-based patient Plan of Care (POC) and Information System. Interface with an EMR may be offered optionally by the contractor. The CCIP is not funded through this initiative, however, this fund is critical for the functioning of the program.

Funds are used to build a program that emphasizes personal responsibility, health literacy, and creates a structure to guide participants to become better consumers of healthcare. MO HealthNet works with its sister agencies, the Department of Health and Senior Services and the Department of Mental Health, as well as the Missouri State Medical Association, the Missouri Association of Osteopathic Physicians and Surgeons, the Missouri Nursing Association, the Missouri Hospital Association, the Missouri Peer Review Organization (Primaris), the Missouri Pharmacy Association and others as necessary to coordinate services and reduce duplication of effort among state-based organizations. Additionally several of the groups have already begun initiatives in the provider community to address process and data element issues. Maintaining relationships, using initiatives that already have consensus and enabling collaboration will be key to program success. This will require a considerable amount of communication, but will also result in maximum outreach, consistency for providers, and improved use of various statewide resources.

These internet tools will assist providers with accessing patient profile information gleaned from paid MO HealthNet claims and allow their input of patient information upon each office visit. Nationally recognized evidence-based treatment guidelines and patient education materials will be available to providers through this tool. This then would incorporate the support of best practice guidelines, medical evidence to support therapy algorithms and outcome studies to assure the best results for participants. The strategy is to integrate prevention into the use of technology through electronic medical records to empower individual and community level health decisions and integration/coordination of care by providers.

CyberAccessTM (transferred to Clinical Services Program Management in FY 2009)

MO HealthNet Division has implemented a new web-based tool, CyberAccessTM. This tool will allow electronic, web-based access to the provider's patient claim information, incorporating paid MO HealthNet medical and pharmacy claim data into a patient profile. Providers will be able to review patient utilization of services, including medications and services from other providers, diagnoses and procedures, all in a comprehensive listing in chronological order. In addition, CyberAccess includes a feature that allows providers to select a medication for their patient and immediately determine whether it will be reimbursed by MO HealthNet without limitations such as prior authorization or clinical edit. If such a limitation is in place, the provider may request an override via the electronic tool itself, and eliminate the need for a phone call or fax request.

The web based tool for the program is not an EMR, it is a care and treatment plan which is far less detailed than an EMR would be. It is consistent with the direction of the FQHCs, RHCs, and DHSS chronic care policy. It also represents a platform that could easily interface with a true EMR for those who are ready and will certainly be a step in that direction to help move the standard of practice.

Home Telemonitoring (transferred to Hospital Care in FY 2009 to consolidate with other Home Telemonitoring funding)

Funding supports a community-based care coordinating program that includes in-home visits and/or phone contact by a nurse care manager or electronic monitor. The purpose of such program shall be to ensure that patients are discharged from hospitals to an appropriate level of care and services and that targeted MO HealthNet beneficiaries with chronic illnesses and high-risk pregnancies receive care in the most cost-effective setting. Areas of implementation shall include, but not be limited to, Greene County.

Business and Clinical Intelligence Tool (BCIT) (transferred to Clinical Services Program Management in FY 2009)

The BCIT will allow the division to add drill down monitoring at participant level to support the CCIP for providers and as a decision support/contract monitoring for the division clinical staff.

St. Louis Metro Region EMR Pilot (funded one time FY 2008)

Funds include funding for the purpose of providing matching funds for an electronic medical records pilot project in the Metropolitan St. Louis region. Such pilot project shall provide a system which integrates all health care records within a single database and utilizes technology that can be easily shared with other health providers and may be replicated beyond its immediate population. The initial project shall include up to 300,000 individuals and incorporate the patient base of at least 200 physicians. The contractor shall be required to provide at least seven million dollars (\$7,000,000) in matching contributions to the project. Said match may be a combination of cash and in-kind.

Projects create data and automation systems that provide critical information about the population served, financial issues, critical management information and health outcomes to support decision-making by factual information.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

TAFP CCS for SCS for HCS for HB11, Section 11.405.

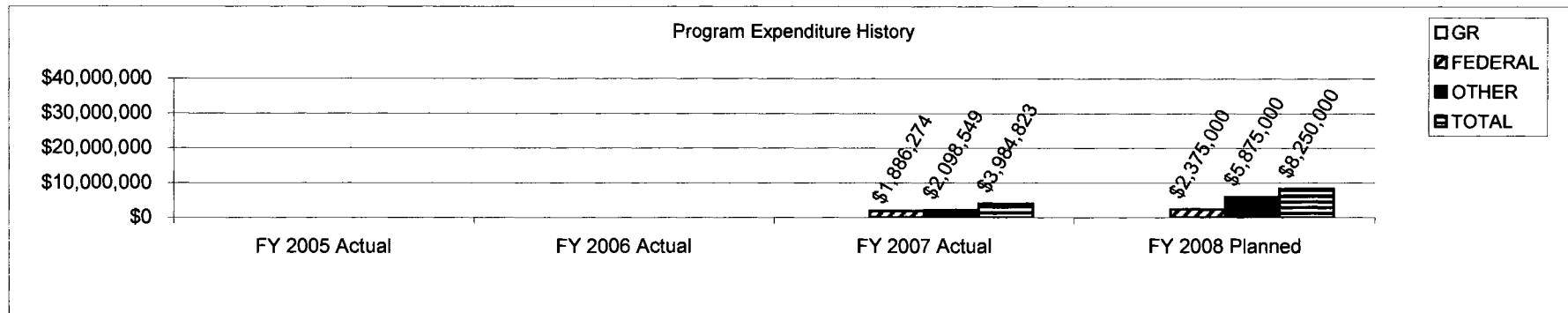
**3. Are there federal matching requirements? If yes, please explain.**

Expenditures for Health Care Technology that are associated with MO HealthNet projects earn 50% FFP and require 50% state share. Some MO HealthNet projects could be eligible for enhanced federal matching of 75% and some projects could even qualify for 90% enhanced federal matching funds. Non-MO HealthNet related projects do not earn federal match.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

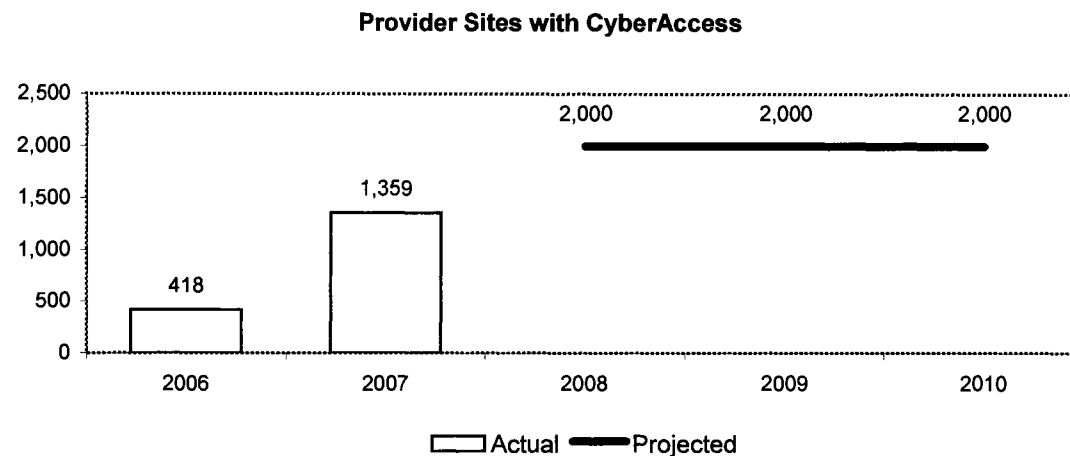


\*Health Care Technology Program will begin in Fiscal Year 2007.

**6. What are the sources of the "Other" funds?**

Health Care Technology Fund (0170)

7a. Provide an effectiveness measure.



7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

**NEW DECISION ITEM  
RANK: 36**

Department: Social Services  
Division: MO HealthNet  
DI Name: Health Care Technology Initiative

Budget Unit: 90518C  
DI#: 1886025

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	2,500,000	2,500,000		5,000,000
TRF				
Total	<u>2,500,000</u>	<u>2,500,000</u>		<u>5,000,000</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD		2,500,000	2,500,000	5,000,000
TRF				
Total	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>5,000,000</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Care Technology Fund (0170)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input checked="" type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: This funding is requested for health care technology.

Funding is requested for projects that include, but are not limited to initiatives to achieve electronic health record interoperability, consistent with Executive Order 07-12; continued development of a statewide electronic health record; and integration of assessment and authorization processes for home and community based services with other MO HealthNet programs.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one times and how those amounts were calculated.)**

The funding included in this request is consistent with the Governor's Executive Order 07-12 allowing the Mo HealthNet Division (MHD) to move toward more complete integration of electronic health records and systems interoperability. The funding will also allow the Division to begin expanding its cutting edge electronic tools and services to allow the inclusions of participants in Insure Missouri and other state agency populations while setting the stage for inclusion of private sector payers and participants. The long term goal is to have a statewide interoperable electronic health record for all Missourians.

The funding is also consistent with the Governor's FY 09 priorities to encourage investment in health care technologies.

	Total	GR	Federal
Health Care Technology	\$5,000,000	\$2,500,000	\$2,500,000

Governor's Recommendation:

Governor's Recommendation includes HealthCare Technology Fund instead of GR.

	Total	Federal	Other
Health Care Technology	\$5,000,000	\$2,500,000	\$2,500,000



5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	2,500,000		2,500,000				5,000,000		
Total PSD	2,500,000		2,500,000		0		5,000,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	2,500,000	0.0	2,500,000	0.0	0	0.0	5,000,000	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		2,500,000		2,500,000		5,000,000		
Total PSD	0		2,500,000		2,500,000		5,000,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	2,500,000	0.0	2,500,000	0.0	5,000,000	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HEALTHCARE TECHNOLOGY								
Health Care Tech Initiatives - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,000,000	0.00	5,000,000	0.00
TOTAL - PD	0	0.00	0	0.00	5,000,000	0.00	5,000,000	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$5,000,000	0.00	\$5,000,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,500,000	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$2,500,000	0.00	\$2,500,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$2,500,000	0.00



## NEW DECISION ITEM

RANK: 999

Department: Social Services

Division: MO HealthNet

DI Name: Transfer Healthcare Technology Fund

Budget Unit Number: 90517C

DI#: 1886037

**1. AMOUNT OF REQUEST**

	FY 2007 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
TRANSFER				
Total				

FTE

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2007 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
TRANSFER	7,000,000		8,000,000	15,000,000
Total	7,000,000		8,000,000	15,000,000

FTE

0.00 0.00 0.00 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiative Fund (0275)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Supplemental
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Transfer Authority	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: Transfer authority from General Revenue to the Health Care Technology Fund.

This request is for a General Revenue and Health Initiative Fund transfer to the Health Care Technology Fund. The Health Care Technology fund will support projects that explore new and innovative ideas on ways that technology can improve the delivery of care, reduce administrative burdens and reduce waste, fraud and abuse. This fund will also support the implementation of some of the Medicaid Reform Commission recommendations, such as expansion and increased use of technology in healthcare including electronic medical records, community health records, personal health records and e-prescribing. Funds will be used to build a program that emphasizes personal responsibility, health literacy, and creates a structure to guide participants to become better consumers of healthcare. Projects will create data and automation systems that provide critical information about the population served, financial issues, critical management information and health outcomes to support decision-making by factual information.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

This request will provide for a \$7,000,000 General Revenue and \$8,000,000 Health Initiative Fund transfer to the Health Care Technology Fund.

<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Total Transfer	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Fund Transfers (820)	7,000,000				8,000,000		15,000,000		
Total Transfer	7,000,000		0		8,000,000		15,000,000		0
Grand Total	7,000,000	0.0	0	0.0	8,000,000	0.0	15,000,000	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

- 6a. Provide an effectiveness measure.
- 6b. Provide an efficiency measure.
- 6c. Provide the number of clients/individuals served, if applicable.
- 6d. Provide a customer satisfaction measure, if available.

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- \* Create structures to guide participants to become better consumers of healthcare.
- \* Create evidence based health promotion and education programs.
- \* Create data and automation systems that provide critical information about the population served, financial issues, critical management information and health outcomes to support decision making by factual information.
- \* Integrate prevention into the use of technology through electronic medical records to empower individual and community level health decisions and integration/coordination of care by providers.
- \* Encourage the wide based use of electronic medical records (EMRs) in Medicaid provider offices.
- \* Support the inclusion of new technology as it becomes available especially in the areas of electronic prescribing and electronic medical records.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HEALTHCARE TECH TRANSFER</b>								
Transfer Health Care Tech Fund - 1886037								
FUND TRANSFERS	0	0.00	0	0.00	0	0.00	15,000,000	0.00
TOTAL - TRF	0	0.00	0	0.00	0	0.00	15,000,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$15,000,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$7,000,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$8,000,000	0.00





# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>CLINICAL SRVC MGMT</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	2,232,089	0.00	2,301,123	0.00	2,301,123	0.00	2,301,123	0.00	
DEPT OF SOC SERV FEDERAL & OTH	3,538,643	0.00	3,602,788	0.00	3,602,788	0.00	3,602,788	0.00	
THIRD PARTY LIABILITY COLLECT	915,910	0.00	924,911	0.00	924,911	0.00	924,911	0.00	
MISSOURI RX PLAN FUND	410,458	0.00	4,155,894	0.00	4,155,894	0.00	4,155,894	0.00	
TOTAL - EE	7,097,100	0.00	10,984,716	0.00	10,984,716	0.00	10,984,716	0.00	
PROGRAM-SPECIFIC									
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	2,175,000	0.00	2,175,000	0.00	
HEALTH CARE TECHNOLOGY FUND	0	0.00	0	0.00	0	0.00	2,175,000	0.00	
MISSOURI RX PLAN FUND	0	0.00	5,000	0.00	5,000	0.00	5,000	0.00	
TOTAL - PD	0	0.00	5,000	0.00	2,180,000	0.00	4,355,000	0.00	
<b>TOTAL</b>	<b>7,097,100</b>	<b>0.00</b>	<b>10,989,716</b>	<b>0.00</b>	<b>13,164,716</b>	<b>0.00</b>	<b>15,339,716</b>	<b>0.00</b>	
<b>Health Care Tech Fund Replacme - 1886003</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	2,175,000	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	2,175,000	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,175,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$7,097,100</b>	<b>0.00</b>	<b>\$10,989,716</b>	<b>0.00</b>	<b>\$15,339,716</b>	<b>0.00</b>	<b>\$15,339,716</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Clinical Services Program Management

Budget Unit: 90516C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	2,301,123	3,602,788	5,080,805	10,984,716
PSD		2,175,000	5,000	2,180,000
TRF				
Total	2,301,123	5,777,788	5,085,805	13,164,716
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Third Party Liability Collections (TPL) (0120)  
MO Rx Plan Fund (0779)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	2,301,123	3,602,788	5,080,805	10,984,716
PSD		2,175,000	2,180,000	4,355,000
TRF				
Total	2,301,123	5,777,788	7,260,805	15,339,716
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Third Party Liability Collections (TPL) (0120)  
MO Rx Plan Fund (0779)  
Health Care Technology Fund (0170)

## 2. CORE DESCRIPTION

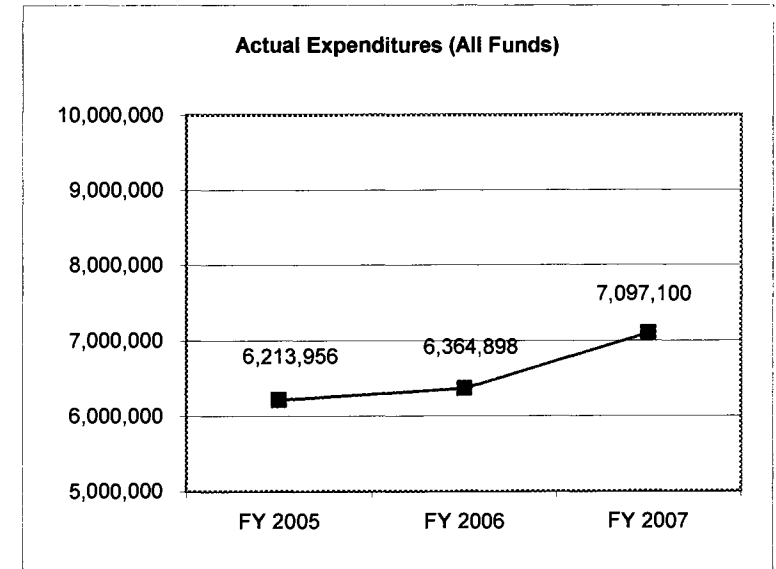
This core request is for the continued operation of the Missouri Medicaid Pharmacy Enhancement Program and the Missouri Rx program. The MO HealthNet Division seeks to aid recipients and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

## 3. PROGRAM LISTING (list programs included in this core funding)

Missouri Medicaid Pharmacy Enhancement Program  
Missouri Rx Program

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	6,828,822	6,828,822	10,989,716	10,989,716
Less Reverted (All Funds)	(119,034)	(69,034)	(69,034)	N/A
Budget Authority (All Funds)	6,709,788	6,759,788	10,920,682	N/A
Actual Expenditures (All Funds)	6,213,956	6,364,898	7,097,100	N/A
Unexpended (All Funds)	495,832	394,890	3,823,582	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	133,442	80,000	64,145	N/A
Other	362,390	314,890	3,759,437	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Agency reserve of \$268,790 - \$50,000 in Federal and \$218,790 in TPL funds.

(2) Agency reserve of \$350,166 - \$80,000 in Federal and \$270,166 in TPL funds.

(3) Agency reserve of \$3,739,436 in MO Rx Plan funds.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**CLINICAL SRVC MGMT**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				EE	0.00	2,301,123	3,602,788	5,080,805	10,984,716	
				PD	0.00	0	0	5,000	5,000	
				<b>Total</b>	<b>0.00</b>	<b>2,301,123</b>	<b>3,602,788</b>	<b>5,085,805</b>	<b>10,989,716</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	951	3685	PD	0.00	0	0	0	(1,875,000)	(1,875,000)	Core cut one time Health Care Technology funds supporting CyberAccess (GR pickup NDI)
Core Reduction	952	3685	PD	0.00	0	0	0	(300,000)	(300,000)	Core cut one time Health Care Technology funds for Business and Clinical Intelligence Tool (GR pickup NDI)
Core Reallocation	948	6767	PD	0.00	0	1,875,000	0	0	1,875,000	Transfer in CyberAccess funding from Health Care Technology section
Core Reallocation	948	3685	PD	0.00	0	0	0	1,875,000	1,875,000	Transfer in CyberAccess funding from Health Care Technology section
Core Reallocation	949	3685	PD	0.00	0	0	0	300,000	300,000	Transfer in Business and Clinical Intelligence Tool funding from Health Care Technology section
Core Reallocation	949	6767	PD	0.00	0	300,000	0	0	300,000	Transfer in Business and Clinical Intelligence Tool funding from Health Care Technology section
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>0</b>	<b>2,175,000</b>	<b>0</b>	<b>2,175,000</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	2,301,123	3,602,788	5,080,805	10,984,716	
				PD	0.00	0	2,175,000	5,000	2,180,000	
				<b>Total</b>	<b>0.00</b>	<b>2,301,123</b>	<b>5,777,788</b>	<b>5,085,805</b>	<b>13,164,716</b>	

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES

### CLINICAL SRVC MGMT

#### 5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>									
Core Reduction	951	3685	PD	0.00	0	0	1,875,000	1,875,000	Core cut one time Health Care Technology funds supporting CyberAccess (GR pickup NDI)
Core Reduction	952	3685	PD	0.00	0	0	300,000	300,000	Core cut one time Health Care Technology funds for Business and Clinical Intelligence Tool (GR pickup NDI)
<b>NET GOVERNOR CHANGES</b>				<b>0.00</b>	<b>0</b>	<b>0</b>	<b>2,175,000</b>	<b>2,175,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>									
			EE	0.00	2,301,123	3,602,788	5,080,805	10,984,716	
			PD	0.00	0	2,175,000	2,180,000	4,355,000	
			<b>Total</b>	<b>0.00</b>	<b>2,301,123</b>	<b>5,777,788</b>	<b>7,260,805</b>	<b>15,339,716</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CLINICAL SRVC MGMT</b>								
<b>CORE</b>								
TRAVEL, IN-STATE	1,019	0.00	0	0.00	2,500	0.00	2,500	0.00
TRAVEL, OUT-OF-STATE	2,027	0.00	0	0.00	2,500	0.00	2,500	0.00
SUPPLIES	21,098	0.00	0	0.00	20,000	0.00	20,000	0.00
PROFESSIONAL DEVELOPMENT	575	0.00	0	0.00	1,000	0.00	1,000	0.00
COMMUNICATION SERV & SUPP	2,059	0.00	0	0.00	2,500	0.00	2,500	0.00
PROFESSIONAL SERVICES	7,050,260	0.00	10,984,716	0.00	10,935,216	0.00	10,935,216	0.00
M&R SERVICES	19,712	0.00	0	0.00	20,000	0.00	20,000	0.00
REAL PROPERTY RENTALS & LEASES	150	0.00	0	0.00	500	0.00	500	0.00
MISCELLANEOUS EXPENSES	200	0.00	0	0.00	500	0.00	500	0.00
<b>TOTAL - EE</b>	<b>7,097,100</b>	<b>0.00</b>	<b>10,984,716</b>	<b>0.00</b>	<b>10,984,716</b>	<b>0.00</b>	<b>10,984,716</b>	<b>0.00</b>
PROGRAM DISTRIBUTIONS	0	0.00	5,000	0.00	2,180,000	0.00	4,355,000	0.00
<b>TOTAL - PD</b>	<b>0</b>	<b>0.00</b>	<b>5,000</b>	<b>0.00</b>	<b>2,180,000</b>	<b>0.00</b>	<b>4,355,000</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$7,097,100</b>	<b>0.00</b>	<b>\$10,989,716</b>	<b>0.00</b>	<b>\$13,164,716</b>	<b>0.00</b>	<b>\$15,339,716</b>	<b>0.00</b>
<b>GENERAL REVENUE</b>	<b>\$2,232,089</b>	<b>0.00</b>	<b>\$2,301,123</b>	<b>0.00</b>	<b>\$2,301,123</b>	<b>0.00</b>	<b>\$2,301,123</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>	<b>\$3,538,643</b>	<b>0.00</b>	<b>\$3,602,788</b>	<b>0.00</b>	<b>\$5,777,788</b>	<b>0.00</b>	<b>\$5,777,788</b>	<b>0.00</b>
<b>OTHER FUNDS</b>	<b>\$1,326,368</b>	<b>0.00</b>	<b>\$5,085,805</b>	<b>0.00</b>	<b>\$5,085,805</b>	<b>0.00</b>	<b>\$7,260,805</b>	<b>0.00</b>





## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Clinical Services Program Management**

**Program is found in the following core budget(s): Clinical Services Program Management**

### 1. What does this program do?

*PROGRAM SYNOPSIS: The funding for Clinical Services Management supports the Pharmacy and Clinical Services' contractor costs.*

#### PHARMACY

With a pharmacy budget of nearly \$1 billion in FY08, it is necessary to have resources to manage the program. The administrative rate is less than 0.6% of the total MO HealthNet pharmacy budget. Through the Clinical Services Program, the Division is able to maintain current cost containment initiatives and implement new cost containment initiatives. Major initiatives include:

- Help Desk Staffing
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Maintenance and Updates to Fiscal and Clinical Edits
- Prospective and Retrospective Drug Use Review (DUR)
- Routine/Adhoc Drug Information Research
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates

These initiatives, along with other cost containment activities, have resulted in an increase in the pharmacy cost that is significantly below the national trend over the past two years. Due to the current fiscal climate, administrative resources are scrutinized very closely. However, it is critical to look at the rate of return, instead of the actual dollars expended. Based on previous analysis, the rate of return on these pharmacy cost containment initiatives range from \$28:1 to \$99:1.

#### CLINICAL

The major initiatives in the Clinical Services section include:

- Psychology and Medical Help Desk Staffing
- Smart PA for DME, including Dental and Optometry
- Major Medical PA, including Imaging
- Medical Evidence - Oregon Contract

#### Cyber Access

CyberAccess is an Electronic Health Record (EHR) program for MO HealthNet participants which is available to their healthcare providers. The Web-based tool, called CyberAccess, allows physicians to prescribe electronically, view diagnosis data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containment initiatives and electronic health records. EPSDT forms and patient specific lab data will soon be added. Linkages to other health record systems yielding interoperability between systems will soon be available as well. A companion participant web portal tool will be launched in the late Fall of '07.

## Business and Clinical Intelligence Tool (BCIT)

The BCIT will allow the division to add drill down monitoring at participant level to support the CCIP for providers and as a decision support/contract monitoring for the division clinical staff.

The section is responsible for program development and clinical policy decision-making for MO HealthNet, with these activities oriented to the health and continuum of care needed by MO HealthNet participants. Policy development, benefit design and coverage decisions are made by the unit using best practices and evidence-based medicine.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

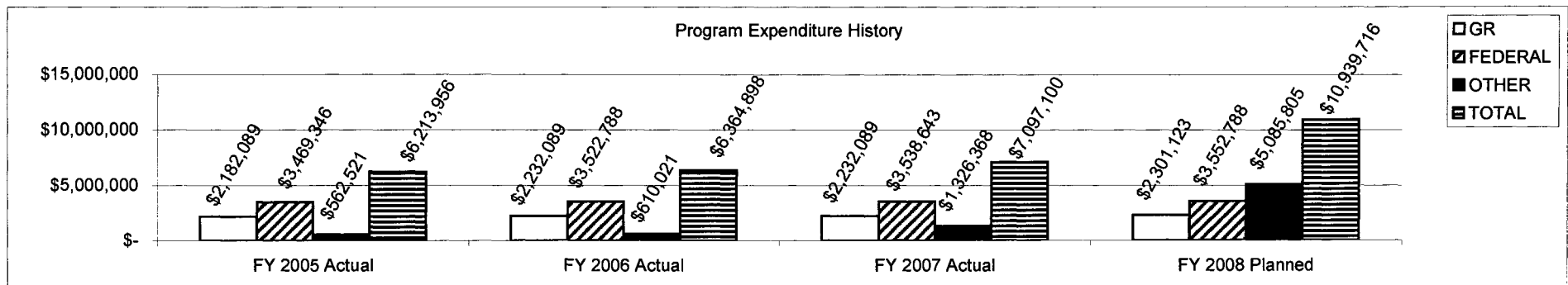
### **3. Are there federal matching requirements? If yes, please explain.**

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

### **4. Is this a federally mandated program? If yes, please explain.**

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

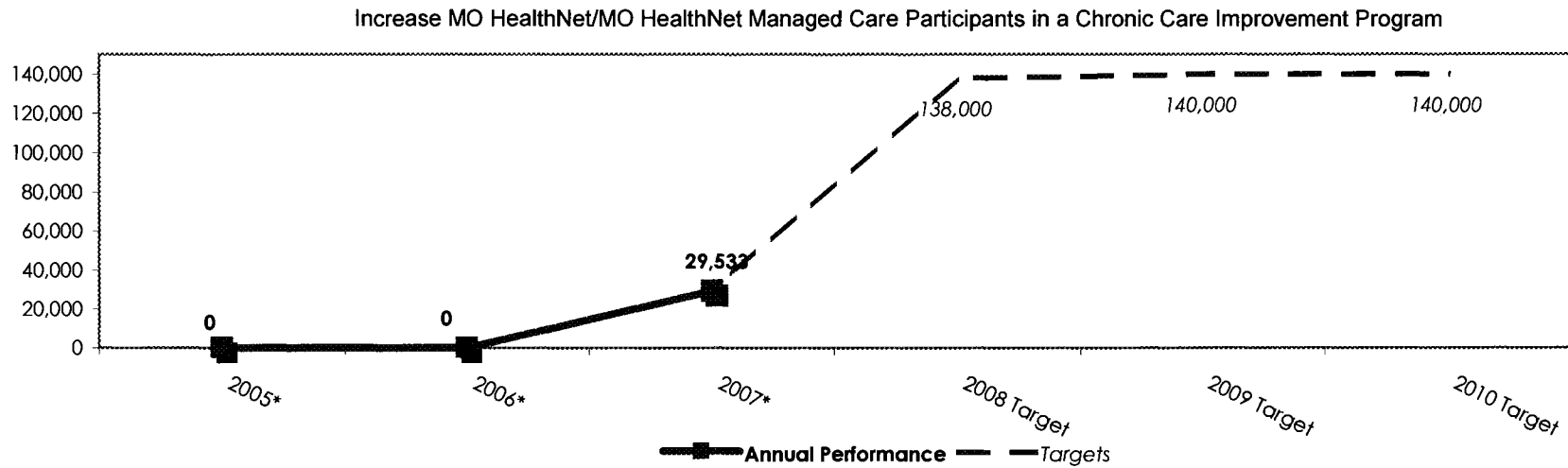
### **5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Third Party Liability Collections Fund (0120) and Missouri Rx Plan Fund (0779).

**7a. Provide an effectiveness measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Number of Pharmacy Claims		
SFY	Actual	Projected
2005	19.1 mil	18.8 mil
2006*	15.3 mil	16.2 mil
2007*	9.6 mil	10.4 mil
2008		11.4 mil
2009		12.4 mil
2010		13.4 mil

\*Reduction in FY07 due to the Medicare Modernization Act (MMA)

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>WOMEN &amp; MINORITY OUTREACH</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	514,783	0.00	546,125	0.00	546,125	0.00	546,125	0.00	
DEPT OF SOC SERV FEDERAL & OTH	544,699	0.00	568,625	0.00	568,625	0.00	568,625	0.00	
TOTAL - EE	1,059,482	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00	
TOTAL	1,059,482	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00	
GRAND TOTAL	\$1,059,482	0.00	\$1,114,750	0.00	\$1,114,750	0.00	\$1,114,750	0.00	





# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Appropriation: Women & Minority Health Care Outreach

Budget Unit: 90513C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	546,125	568,625		1,114,750

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	546,125	568,625		1,114,750

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. CORE DESCRIPTION

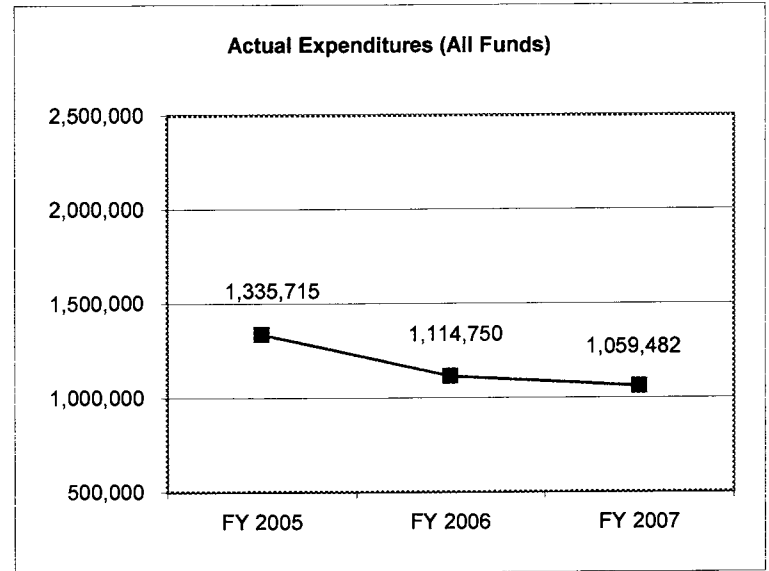
This core request is for the continued funding of the Women and Minority Health Care Outreach programs. These programs provide client outreach and education about the MO HealthNet program and reduce disparities in healthcare access for women and minority populations.

## 3. PROGRAM LISTING (list programs included in this core funding)

Women and Minority Health Care Outreach Program

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	1,477,500	1,114,750	1,114,750	1,114,750
Less Reverted (All Funds)	(21,825)	0	(16,384)	N/A
Budget Authority (All Funds)	1,455,675	1,114,750	1,098,366	N/A
Actual Expenditures (All Funds)	1,335,715	1,114,750	1,059,482	N/A
Unexpended (All Funds)	119,960	0	38,884	N/A
Unexpended, by Fund:				
General Revenue	57,141	0	14,958	N/A
Federal	62,819	0	23,926	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****WOMEN & MINORITY OUTREACH**

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**5. CORE RECONCILIATION DETAIL**

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	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<hr/>							
TAFP AFTER VETOES	EE	0.00	546,125	568,625	0	1,114,750	
	<b>Total</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>	
<hr/>							
DEPARTMENT CORE REQUEST	EE	0.00	546,125	568,625	0	1,114,750	
	<b>Total</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>	
<hr/>							
GOVERNOR'S RECOMMENDED CORE	EE	0.00	546,125	568,625	0	1,114,750	
	<b>Total</b>	<b>0.00</b>	<b>546,125</b>	<b>568,625</b>	<b>0</b>	<b>1,114,750</b>	
<hr/>							

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN &amp; MINORITY OUTREACH</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	1,059,482	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
TOTAL - EE	1,059,482	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
<b>GRAND TOTAL</b>	<b>\$1,059,482</b>	<b>0.00</b>	<b>\$1,114,750</b>	<b>0.00</b>	<b>\$1,114,750</b>	<b>0.00</b>	<b>\$1,114,750</b>	<b>0.00</b>
GENERAL REVENUE	\$514,783	0.00	\$546,125	0.00	\$546,125	0.00	\$546,125	0.00
FEDERAL FUNDS	\$544,699	0.00	\$568,625	0.00	\$568,625	0.00	\$568,625	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Women and Minority Health Care Outreach**

**Program is found in the following core budget(s): Women and Minority Health Care Outreach**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides client outreach and education about the MO HealthNet program with a goal to reduce disparities in health care access for women and minority populations.*

The health of Missouri's citizens is critical to the well-being of the state. Without proper health care, Missouri citizens will be less productive and more costly to the state. The purpose of the MO HealthNet program is to finance, monitor and assure the health coverage of traditionally vulnerable populations. The funding in this appropriation provides outreach services in St. Louis, Columbia, Jefferson City, Springfield, the Bootheel, and the Kansas City Region targeted at African American men and women at risk of diabetes, cardiovascular disease, HIV/AIDS, sexually transmitted diseases (STDs), and other life-threatening health conditions. The outreach programs also provide client outreach and education about the MO HealthNet program.

The Department of Social Services has contracted with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the Minority and Women's Health Outreach funding, assuring accurate and timely payments to the subcontractors and to act as a central data collection point for evaluation of program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, and to reduce disparities in health status between majority and minority populations.

This program was initiated in the fall of 1999 with five Federally-Qualified Health Centers (FQHCs) and has now expanded to ten FQHCs in the St Louis and Kansas City regions and the Bootheel, and one clinic in Central Missouri with a FQHC look-alike status, plus a consultant subcontractor. The outreach program builds on the strengths of the ten FQHCs and one FQHC look-alike clinic that are trusted, accessible sources of care for high-risk African American populations, and the existence of natural leaders, often women, in African American neighborhoods to provide outreach and education in their neighborhoods to encourage routine screenings for diabetes and cardiovascular disease and testing for HIV/AIDS and STDs. In the Bootheel area, the outreach program builds on the strengths of a FQHC and county hospital, using the Care-A-Van to reach at-risk persons in the largely rural area. Existing health promotion coalitions in the area, including the Bootheel's Heart Health Coalitions and the Missouri Health Alliance will also be used in outreach efforts. As part of the outreach program, workers identify eligible participants and help them enroll in the MO HealthNet program.

The current contractor is Missouri Primary Care Association. The contractor is paid for allowable costs related to establishing and implementing outreach programs not to exceed the appropriation cap.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.201; Federal law: Social Security Act Section 1903(a); Federal Regulations: 42 CFR, Part 433.15

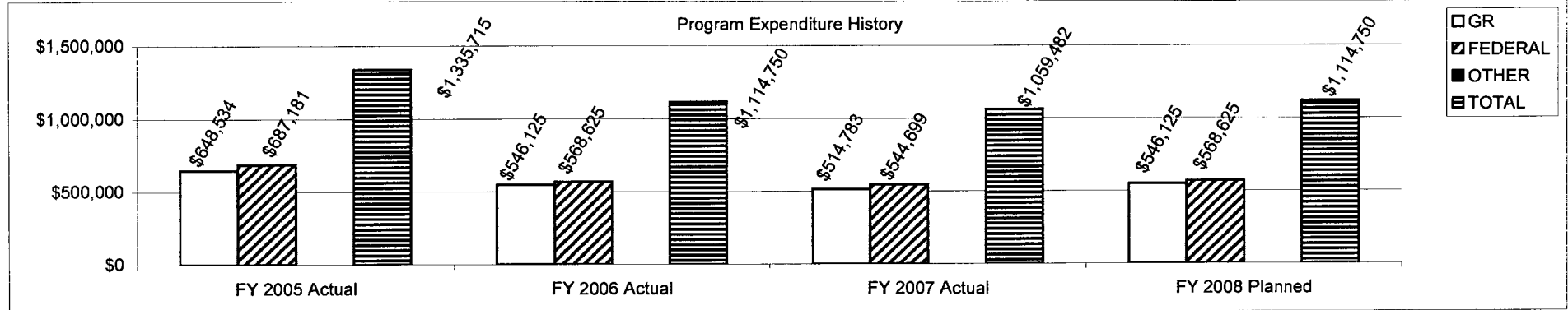
### 3. Are there federal matching requirements? If yes, please explain.

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Prenatal Care Users Who Delivered During the Year		
SFY	Actual	Projected
2005	2,867	
2006	3,329	
2007	3,151	
2008		4,064
2009		4,064
2010		4,064

Number of Normal Births		
SFY	Actual	Projected
2005	2,809	
2006	2,926	
2007	2,914	
2008		3,981
2009		3,981
2010		3,981

Eligibles:

Services are directed toward low-income women and minorities who are uninsured or eligible for MO HealthNet.

7d. Provide a customer satisfaction measure, if available.



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HLTHNET REV MAX UNIT</b>								
<b>CORE</b>								
PERSONAL SERVICES								
DEPT OF SOC SERV FEDERAL & OTH	58,587	1.41	89,339	2.00	89,339	2.00	89,339	2.00
FEDERAL REIMBURSEMENT ALLOWANCE	58,586	1.41	89,339	2.00	89,339	2.00	89,339	2.00
TOTAL - PS	117,173	2.82	178,678	4.00	178,678	4.00	178,678	4.00
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	1,284	0.00	8,114	0.00	8,114	0.00	8,114	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	8,114	0.00	8,114	0.00	8,114	0.00
TOTAL - EE	1,284	0.00	16,228	0.00	16,228	0.00	16,228	0.00
<b>TOTAL</b>	<b>118,457</b>	<b>2.82</b>	<b>194,906</b>	<b>4.00</b>	<b>194,906</b>	<b>4.00</b>	<b>194,906</b>	<b>4.00</b>
<b>GENERAL STRUCTURE ADJUSTMENT - 0000012</b>								
PERSONAL SERVICES								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	2,680	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	2,680	0.00
TOTAL - PS	0	0.00	0	0.00	0	0.00	5,360	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>5,360</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$118,457</b>	<b>2.82</b>	<b>\$194,906</b>	<b>4.00</b>	<b>\$194,906</b>	<b>4.00</b>	<b>\$200,266</b>	<b>4.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Revenue Maximization Unit

Budget Unit: 90514C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS		89,339	89,339	178,678
EE		8,114	8,114	16,228
PSD				
TRF				
Total		97,453	97,453	194,906
FTE		2.00	2.00	4.00

<b>Est. Fringe</b>	0	44,455	44,455	88,910
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS		89,339	89,339	178,678
EE		8,114	8,114	16,228
PSD				
TRF				
Total		97,453	97,453	194,906
FTE		2.00	2.00	4.00

<b>Est. Fringe</b>	0	44,455	44,455	88,910
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

## 2. CORE DESCRIPTION

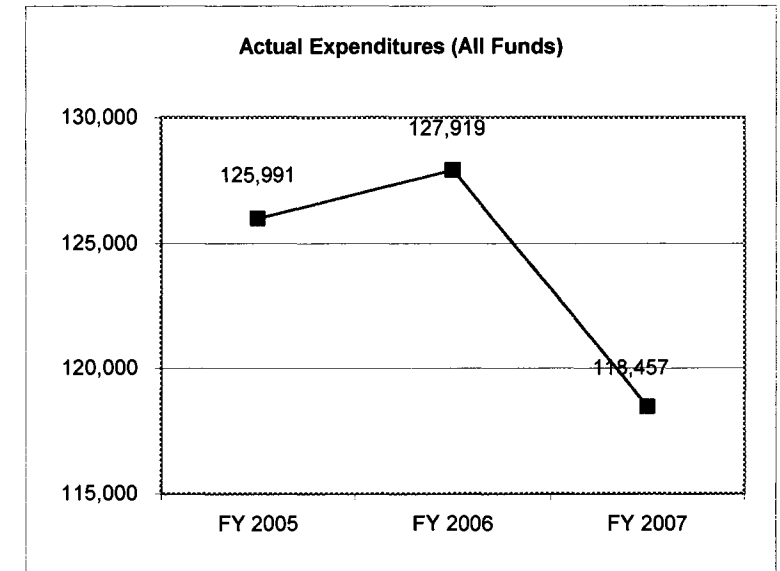
This core request is for the continued operation of the revenue maximization unit made up of four staff.

## 3. PROGRAM LISTING (list programs included in this core funding)

Medicaid Revenue Maximization

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	183,372	183,028	189,700	194,906
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	183,372	183,028	189,700	N/A
Actual Expenditures (All Funds)	125,991	127,919	118,457	N/A
Unexpended (All Funds)	57,381	55,109	71,243	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	27,820	26,684	34,979	N/A
Other	29,561	28,425	36,264	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****MO HLTHNET REV MAX UNIT**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	PS	4.00	0	89,339	89,339	178,678	
	EE	0.00	0	8,114	8,114	16,228	
	<b>Total</b>	<b>4.00</b>	<b>0</b>	<b>97,453</b>	<b>97,453</b>	<b>194,906</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PS	4.00	0	89,339	89,339	178,678	
	EE	0.00	0	8,114	8,114	16,228	
	<b>Total</b>	<b>4.00</b>	<b>0</b>	<b>97,453</b>	<b>97,453</b>	<b>194,906</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PS	4.00	0	89,339	89,339	178,678	
	EE	0.00	0	8,114	8,114	16,228	
	<b>Total</b>	<b>4.00</b>	<b>0</b>	<b>97,453</b>	<b>97,453</b>	<b>194,906</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MO HLTHNET REV MAX UNIT</b>								
<b>CORE</b>								
OFFICE SUPPORT ASST (CLERICAL)	0	0.00	24,852	1.00	24,852	1.00	24,852	1.00
AUDITOR II	0	0.00	44,134	1.00	44,134	1.00	44,134	1.00
AUDITOR I	25,531	0.82	0	0.00	0	0.00	0	0.00
SENIOR AUDITOR	40,484	1.00	44,134	1.00	44,134	1.00	44,134	1.00
AUDITOR III	51,158	1.00	65,558	1.00	65,558	1.00	65,558	1.00
<b>TOTAL - PS</b>	<b>117,173</b>	<b>2.82</b>	<b>178,678</b>	<b>4.00</b>	<b>178,678</b>	<b>4.00</b>	<b>178,678</b>	<b>4.00</b>
TRAVEL, IN-STATE	0	0.00	1,182	0.00	1,182	0.00	1,182	0.00
SUPPLIES	0	0.00	6,000	0.00	6,000	0.00	6,000	0.00
COMMUNICATION SERV & SUPP	0	0.00	2,172	0.00	2,172	0.00	2,172	0.00
M&R SERVICES	1,284	0.00	4,818	0.00	4,818	0.00	4,818	0.00
OFFICE EQUIPMENT	0	0.00	2,056	0.00	2,056	0.00	2,056	0.00
<b>TOTAL - EE</b>	<b>1,284</b>	<b>0.00</b>	<b>16,228</b>	<b>0.00</b>	<b>16,228</b>	<b>0.00</b>	<b>16,228</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$118,457</b>	<b>2.82</b>	<b>\$194,906</b>	<b>4.00</b>	<b>\$194,906</b>	<b>4.00</b>	<b>\$194,906</b>	<b>4.00</b>
<b>GENERAL REVENUE</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
<b>FEDERAL FUNDS</b>	<b>\$59,871</b>	<b>1.41</b>	<b>\$97,453</b>	<b>2.00</b>	<b>\$97,453</b>	<b>2.00</b>	<b>\$97,453</b>	<b>2.00</b>
<b>OTHER FUNDS</b>	<b>\$58,586</b>	<b>1.41</b>	<b>\$97,453</b>	<b>2.00</b>	<b>\$97,453</b>	<b>2.00</b>	<b>\$97,453</b>	<b>2.00</b>

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Revenue Maximization Unit

Program is found in the following core budget(s): Revenue Maximization Unit

### 1. What does this program do?

*PROGRAM SYNOPSIS: These staff identify ways to earn additional federal funds and research ways to avoid costs.*

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201, Federal law: Social Security Act Section 1902(a)(4), Federal regulations: 42 CFR Part 432.

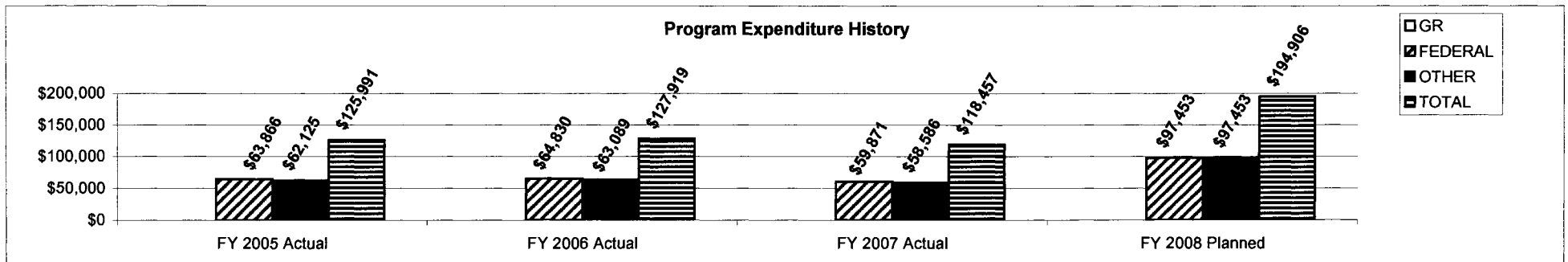
### 3. Are there federal matching requirements? If yes, please explain.

MO HealthNet administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

### 4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



### 6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142)

**7a. Provide an effectiveness measure.**

FRA as a Funding Source in the Various Appropriations	2005	2006	2007	2008
Managed Care	\$116,112,906	\$109,064,837	\$109,065,009	\$109,065,009
Hospital	\$89,438,465	\$129,642,328	\$129,642,328	\$115,267,390
Women's Health Services (1115-Adult)	\$423,516	\$167,756	\$167,756	\$167,756
S-CHIP (1115 Waiver-Children)	\$8,191,223	\$7,719,204	\$7,719,204	\$7,719,204
Revenue Max Admin	\$89,286	\$89,286	\$94,850	\$97,453

**7b. Provide an efficiency measure.****7c. Provide the number of clients/individuals served, if applicable.****7d. Provide a customer satisfaction measure, if available.**





# **FY09 Department of Social Services Report #9**

## **DECISION ITEM SUMMARY**

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>TPL CONTRACTS</b>								
<b>CORE</b>								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	644,438	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
THIRD PARTY LIABILITY COLLECT	644,438	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
TOTAL - EE	1,288,876	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL	1,288,876	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
GRAND TOTAL	\$1,288,876	0.00	\$6,000,000	0.00	\$6,000,000	0.00	\$6,000,000	0.00



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Third Party Liability (TPL) Contracts

Budget Unit: 90515C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				FY 2009 Governor's Recommendation			
GR	Federal	Other	Total	GR	Federal	Other	Total
PS				PS			
EE	3,000,000	3,000,000	6,000,000	EE	3,000,000	3,000,000	6,000,000
PSD				PSD			
TRF				TRF			
Total	3,000,000	3,000,000	6,000,000	Total	3,000,000	3,000,000	6,000,000
FTE			0.00	FTE			0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

Notes: An "E" is requested for \$3,000,000 TPL and \$3,000,000 Federal Funds

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

Notes: An "E" is requested for \$3,000,000 TPL and \$3,000,000 Federal Funds

## 2. CORE DESCRIPTION

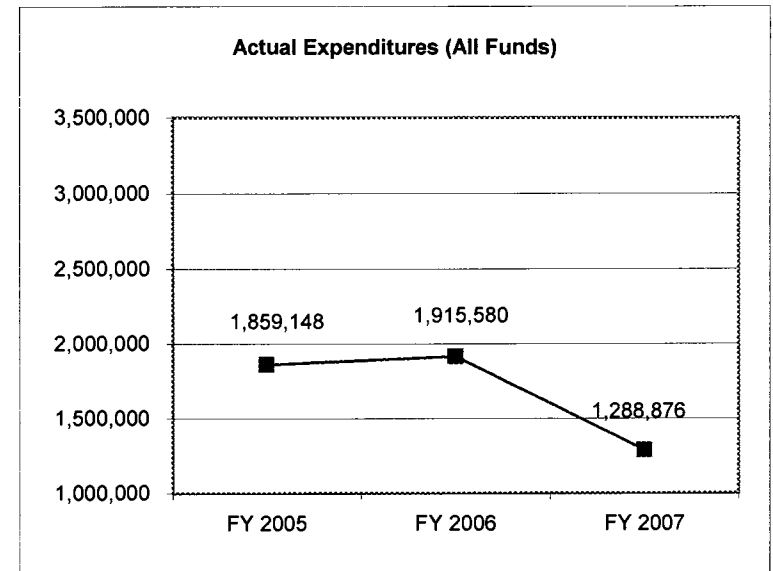
This core request is for the continued funding of contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the TPL Unit and by a contractor. This core appropriation is Expense and Equipment funding and is the source of payments to the contractor who works with the agency on TPL recovery activities.

## 3. PROGRAM LISTING (list programs included in this core funding)

Third Party Liability Contracts

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	6,000,000	6,000,000	6,000,000	6,000,000 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	6,000,000	6,000,000	6,000,000	N/A
Actual Expenditures (All Funds)	1,859,148	1,915,580	1,288,876	N/A
Unexpended (All Funds)	4,140,852	4,084,420	4,711,124	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,070,123	2,041,824	2,355,562	N/A
Other	2,070,729	2,042,596	2,355,562	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriations for FY 2006, FY2007 and FY2008. FY 2005 is NOT an estimated appropriation.

(1) Contractor recoveries were lower than expected.

(2) Agency reserve of \$3,000,000 - \$1,500,000 Federal and \$1,500,000 TPL funds - to align appropriation authority to contractor payments.

(3) Agency reserve of \$4,000,000 - \$2,000,000 Federal and \$2,000,000 TPL funds - to align appropriation authority to contractor payments.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**TPL CONTRACTS**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>6,000,000</b>	
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# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
TPL CONTRACTS								
CORE								
PROFESSIONAL SERVICES	1,288,876	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL - EE	1,288,876	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
GRAND TOTAL	\$1,288,876	0.00	\$6,000,000	0.00	\$6,000,000	0.00	\$6,000,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$644,438	0.00	\$3,000,000	0.00	\$3,000,000	0.00	\$3,000,000	0.00
OTHER FUNDS	\$644,438	0.00	\$3,000,000	0.00	\$3,000,000	0.00	\$3,000,000	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Third Party Liability (TPL) Contracts**

**Program is found in the following core budget(s): Third Party Liability (TPL) Contracts**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payments for contracted TPL recovery activities. By identifying other insurance carriers, MO HealthNet is able to cost avoid or recover costs already incurred.*

The Third Party Liability (TPL) program is responsible for cost recovery and cost avoidance of MO HealthNet expenditures. The MO HealthNet program seeks recovery from third party sources when liability at the time of service had not yet been determined, when the third party source was not known at the time of MO HealthNet payment, and for services that are federally mandated to be paid and then pursued. TPL functions are performed by agency staff in the TPL Unit and by a contractor. The TPL Contracts appropriation allows for payments to the contractor who works with the agency on TPL recovery activities. The contractor is paid for its services through a 6.75% contingency contract rate for cash recoveries. The third-party recovery program accounted for more than \$175.2 million in savings for the state MO HealthNet program in FY 07 by cost-avoiding claims and TPL recoveries. Health Plans in the MC+ Managed Care program are responsible for the collection of TPL from commercial health insurance for plan enrollees.

The contractor has historically been successful in areas of recovery that the state is unable to pursue due to staff and computer system limitations. These recovery areas include Provider Credit Balance Audits and Health Insurance Recovery. Once the retroactive cash recovery benefit is exhausted, these recovery areas are converted to cost avoidance mechanisms and transferred to the state MMIS claims processing system. The advantage of the contractor is their use of automation to increase TPL recoveries. Information stored in the data base tables includes participant eligibility, insurance carrier, billing addresses, insurance coverage, and other reference information that is necessary for automated billing. The TPL Unit and the contractor will share responsibility for maintaining and updating the data tables, as well as conducting the manual operations that continue to be a part of the recovery program.

Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The TPL Unit concentrates on asserting liens on settlements of trauma-related incidents (which include personal injury, product liability, wrongful death, malpractice, workers' compensation, and traffic accidents). The TPL Unit also files claims for recovery of MO HealthNet expenditures in estate cases, on the personal funds accounts of deceased nursing home residents, and on any excess funds from irrevocable burial plans. For cost avoidance, the TPL Unit operates the Health Insurance Premium Payment (HIPP) Program and maintains the TPL data base where participant insurance information is stored. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties. The following table itemizes the activities performed by the contractor as compared to those performed by the TPL Unit staff, and is followed by descriptions of the primary TPL programs.

#### TASKS PERFORMED BY THE CONTRACTOR

- a Health insurance billing and follow-up
- a Data matches and associated billing (CHAMPUS, MCHCP, other insurance carriers)
- a Provide TPL information for state files
- a Post Accounts Receivable data to state A/R system
- a Maintain insurance billing files

The current contractor is Health Management Systems. The contractor is paid for its services on a contingency basis through a portion of cash recoveries.

#### TASKS PERFORMED BY STATE TPL STAFF

- ✓ Liens, updates and follow-up on Trauma cases
- ✓ Identify and follow-up on all Estate cases
- ✓ Identify, file and follow-up on TEFRA liens
- ✓ Identify and follow-up on Personal Funds cases
- ✓ Recover any excess funds from irrevocable burial plans
- ✓ Operate HIPP program
- ✓ Post recoveries to Accounts Receivable systems
- ✓ Maintain state TPL databases
- ✓ Verification of leads through MMIS contract
- ✓ Contract Oversight

HIPP Program - The objective of the Health Insurance Premium Payment Program (HIPP) is to identify and pay for employer-sponsored insurance policies for MO HealthNet participants to maximize MO HealthNet monies by shifting medical costs to private insurers and exhausting all third party resources before utilizing MO HealthNet. On average, each insurance policy paid by the HIPP program saves \$468 annually.

Trauma Settlement Recovery - The objective is to identify potentially liable third parties and to assert liens on litigation settlements to insure maximum recovery of MO HealthNet expenditures. Each identification is researched to determine if pursuit is cost effective or even possible.

Personal Funds Recovery - The objective of this program is to identify Personal Funds Account Balances in nursing facilities where the MO HealthNet participant had died and to assert a lien on those funds to recover MO HealthNet expenditures made on behalf of those participants. A cooperative effort is made with the Department of Health and Senior Services to obtain reports of deceased residents in nursing facilities.

Burial Plans Recovery - The objective of this program is to recover MO HealthNet expenditures from any excess funds from irrevocable burial plans. Burial lots and irrevocable burial contracts are exempt from consideration in determining MO HealthNet eligibility (Section 208.010, RSMo). The law also provides that if there are excess funds from irrevocable burial plans, the state should recover the excess up to the amount of public assistance benefits provided to the recipient.

Estate Recovery - In this program, expenditures are recovered through identification and filing of claims on estates of deceased MO HealthNet participants. Data matches are coordinated with the Department of Health's Vital Statistics, Family Support county offices' staff and cooperation of other public and private groups. Once cases are established, staff verifies expenditure documentation and assemble data for evidence. The TPL staff appear in court to testify on behalf of the state and explain MO HealthNet policies and procedures.

TEFRA Liens - The Tax Equity and Fiscal Responsibility Act of 1982 authorizes the MO HealthNet program to file a lien as a claim against the real property of certain MO HealthNet participants. The TEFRA lien will be for the debt due the state for medical assistance paid or to be paid on behalf of a MO HealthNet participant.



**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State: RSMo. 208.153, 208.215; Federal law: Social Security Act, Section 1902, 1903, 1906, 1912, 1917; Federal regulation: 42 CFR 433 Subpart D

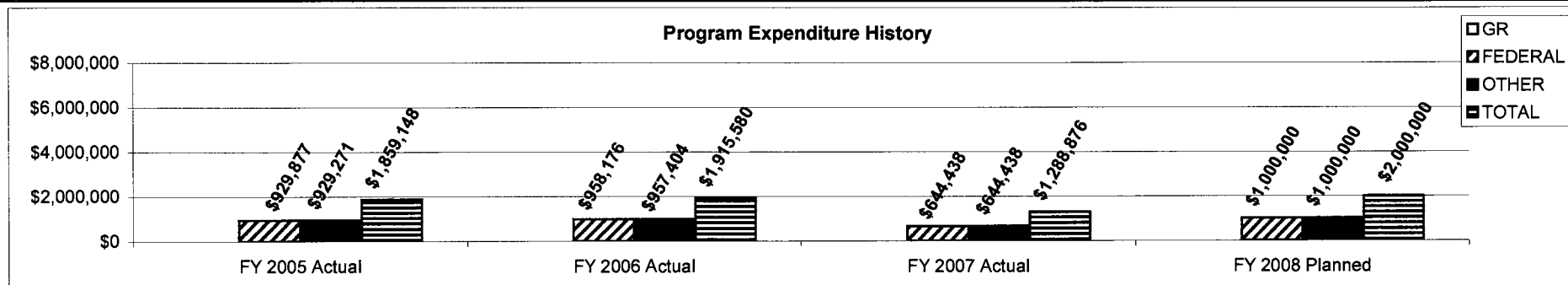
**3. Are there federal matching requirements? If yes, please explain.**

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, if cost effective. In order to not pursue a TPL claim, the agency must obtain a waiver from CMS by proving that a cost recovery effort is not cost effective.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



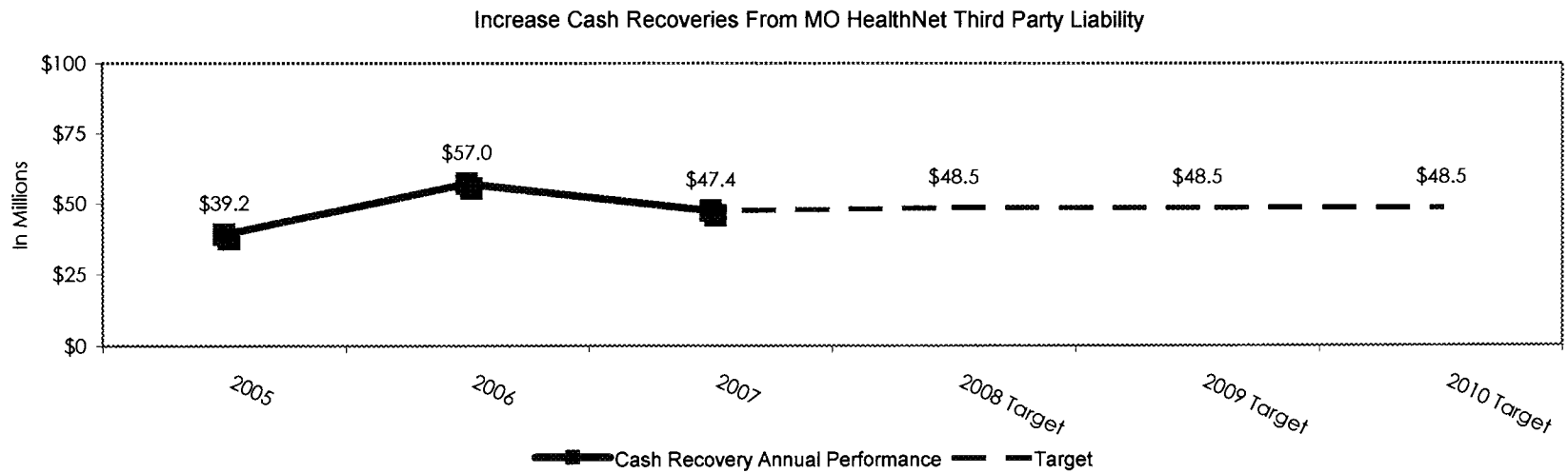
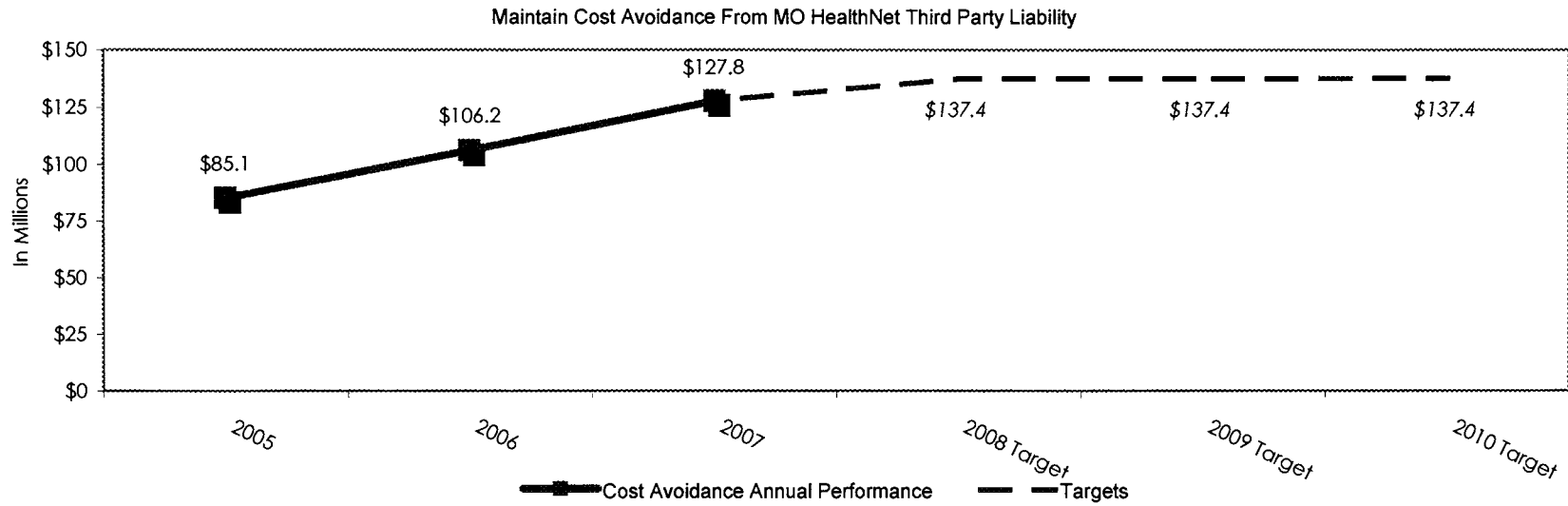
**6. What are the sources of the "Other" funds?**

Third Party Liability Collections Fund (0120)

**7a. Provide an effectiveness measure.**

Third Party Liability Recoveries as a Percentage of Total Fee for Service Expenditures		
SFY	Actual	Projected
2005	2.7%	
2006	2.8%	3.0%
2007	3.8%	3.0%
2008		3.9%
2009		3.9%
2010		3.9%

**7b. Provide an efficiency measure.**



Cash Recoveries by Contractor		
SFY	Actual	Projected
2005	\$13.7 mil	\$46.0 mil
2006	\$26.0 mil	\$25.0 mil
2007	\$18.3 mil	\$21.9 mil
2008		\$16.5 mil
2009		\$16.5 mil
2010		\$16.5 mil

Cash Recoveries by MHD Staff		
SFY	Actual	Projected
2005	\$24.6 mil	\$21.0 mil
2006	\$31.0 mil	\$23.6 mil
2007	\$29.2 mil	\$28.0 mil
2008		\$32.0 mil
2009		\$32.0 mil
2010		\$32.0 mil

**7c. Provide the number of clients/individuals served, if applicable.**

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>INFORMATION SYSTEMS</b>								
<b>CORE</b>								
<b>EXPENSE &amp; EQUIPMENT</b>								
GENERAL REVENUE	5,472,921	0.00	5,697,417	0.00	5,697,417	0.00	5,697,417	0.00
DEPT OF SOC SERV FEDERAL & OTH	18,075,560	0.00	54,791,039	0.00	54,791,039	0.00	54,791,039	0.00
HEALTH CARE TECHNOLOGY FUND	161,000	0.00	5,660,000	0.00	5,660,000	0.00	5,660,000	0.00
TOTAL - EE	23,709,481	0.00	66,148,456	0.00	66,148,456	0.00	66,148,456	0.00
<b>TOTAL</b>	<b>23,709,481</b>	<b>0.00</b>	<b>66,148,456</b>	<b>0.00</b>	<b>66,148,456</b>	<b>0.00</b>	<b>66,148,456</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$23,709,481</b>	<b>0.00</b>	<b>\$66,148,456</b>	<b>0.00</b>	<b>\$66,148,456</b>	<b>0.00</b>	<b>\$66,148,456</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Information Systems

Budget Unit: 90522C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	5,697,417	54,791,039	5,660,000	66,148,456
PSD				
TRF				
Total	<u>5,697,417</u>	<u>54,791,039</u>	<u>5,660,000</u>	<u>66,148,456</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Care Technology Fund (0170)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	5,697,417	54,791,039	5,660,000	66,148,456
PSD				
TRF				
Total	<u>5,697,417</u>	<u>54,791,039</u>	<u>5,660,000</u>	<u>66,148,456</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Care Technology Fund (0170)

## 2. CORE DESCRIPTION

This core request is for the continued funding of Information Systems (IS), which is a component of the Division's total administrative costs. Information Systems is comprised of two program areas, MMIS (Medicaid Management Information System) and the Medicaid Fraud and Abuse Detection System (FADS).

A portion of this funding is a one-time cost to reengineer the MMIS.

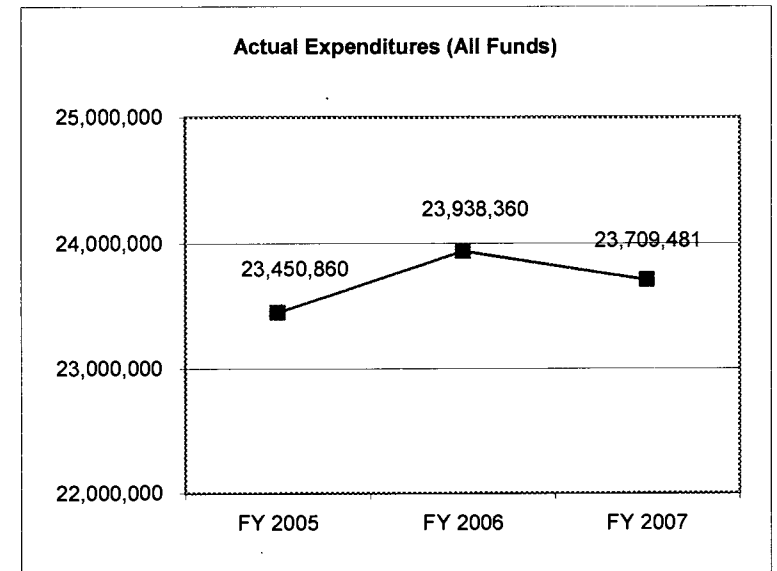
## 3. PROGRAM LISTING (list programs included in this core funding)

Information Systems

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	23,632,812	24,104,462	25,998,456	66,148,456
Less Reverted (All Funds)	(181,952)	(166,102)	(170,923)	N/A
Budget Authority (All Funds)	23,450,860	23,938,360	25,827,533	N/A
Actual Expenditures (All Funds)	23,450,860	23,938,360	23,709,481	N/A
Unexpended (All Funds)	0	0	2,118,052	N/A
Unexpended, by Fund:				
General Revenue	0	0	53,573	N/A
Federal	0	0	2,000,479	N/A
Other	0	0	64,000	N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Agency reserve of \$1,712,600 federal funds.



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

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**INFORMATION SYSTEMS**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>	EE	0.00	5,697,417	54,791,039	5,660,000	66,148,456	
	<b>Total</b>	<b>0.00</b>	<b>5,697,417</b>	<b>54,791,039</b>	<b>5,660,000</b>	<b>66,148,456</b>	
<b>DEPARTMENT CORE REQUEST</b>	EE	0.00	5,697,417	54,791,039	5,660,000	66,148,456	
	<b>Total</b>	<b>0.00</b>	<b>5,697,417</b>	<b>54,791,039</b>	<b>5,660,000</b>	<b>66,148,456</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>	EE	0.00	5,697,417	54,791,039	5,660,000	66,148,456	
	<b>Total</b>	<b>0.00</b>	<b>5,697,417</b>	<b>54,791,039</b>	<b>5,660,000</b>	<b>66,148,456</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>INFORMATION SYSTEMS</b>								
<b>CORE</b>								
COMMUNICATION SERV & SUPP	0	0.00	898	0.00	898	0.00	898	0.00
PROFESSIONAL SERVICES	22,675,186	0.00	66,146,252	0.00	64,897,558	0.00	64,897,558	0.00
M&R SERVICES	1,034,295	0.00	1,306	0.00	1,250,000	0.00	1,250,000	0.00
<b>TOTAL - EE</b>	<b>23,709,481</b>	<b>0.00</b>	<b>66,148,456</b>	<b>0.00</b>	<b>66,148,456</b>	<b>0.00</b>	<b>66,148,456</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$23,709,481</b>	<b>0.00</b>	<b>\$66,148,456</b>	<b>0.00</b>	<b>\$66,148,456</b>	<b>0.00</b>	<b>\$66,148,456</b>	<b>0.00</b>
GENERAL REVENUE	\$5,472,921	0.00	\$5,697,417	0.00	\$5,697,417	0.00	\$5,697,417	0.00
FEDERAL FUNDS	\$18,075,560	0.00	\$54,791,039	0.00	\$54,791,039	0.00	\$54,791,039	0.00
OTHER FUNDS	\$161,000	0.00	\$5,660,000	0.00	\$5,660,000	0.00	\$5,660,000	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Information Systems**

**Program is found in the following core budget(s): Information Systems**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Processes fee for service claims and managed care encounter data through a contractor for the Medicaid Management Information Systems (MMIS). It also provides for operation of the Medicaid Fraud and Abuse Detection System.*

The Information Systems (IS) program area includes the MMIS contract, the Medicaid Fraud and Abuse Detection System (FADS) contract, and the Provider Enrollment Unit. The primary function of Information Systems is to provide the tools and data needed to support administrative and financial decisions and to process fee-for-service claims and MC+ managed care encounter data. IS focuses on the gathering, maintenance, analysis, and output of information and data related to claims and a multitude of claims-related interfaces. It is additionally responsible for providing the software and hardware support needed to measure, analyze, assess and manipulate this information in the process of decision making and formulating and testing new systems.

The State contracts with a private entity to operate the subsystems of the Medicaid Management Information System. The subsystems include Claims Processing, Management and Analysis Reporting, Surveillance and Utilization, Reference, Provider, Participant, Third Party Liability and Financial. In order to maintain quality management of MO HealthNet claims, the MO HealthNet Division requires the fiscal agent to:

- ♦ Maintain and enhance a highly automated MO HealthNet claims processing and information retrieval system.
- ♦ Process MO HealthNet claims involving over 37,302 providers of 72 different types, such as hospitals, physicians, dentists, ambulance service providers, nursing homes, therapists, hospices, and managed care health plans.
- ♦ Perform manual tasks associated with processing MO HealthNet claims, and to retrieve and produce utilization and management information that is required by the Division and/or various agencies within the federal government. For example, semi-annual utilization reports are generated for the Program Integrity to allow staff to detect and investigate over-utilization patterns and abuse. Third Party Liability (TPL) reports are produced that allow tracking of cost avoidance on claims and provide the capability to perform cost recovery functions.
- ♦ Provide capabilities and/or communications with the Department and the Division via on-line data links to facilitate transfers of data and monitoring of contract issues using menu driven reports and communications via electronic mail.
- ♦ Provide technical support to MC+ Managed Care health plans in the maintenance of data lines and the transfer of daily enrollment files and encounter data.

The MMIS is run on a mainframe computer system. There are approximately 35 programmers employed by the fiscal agent to maintain and enhance this system. The Interactive Voice Response (IVR) has the availability of approximately 70 incoming lines. The IVR hardware and software allows immediate access to eligibility, payment and claim status information. The Imaging System allows document storage and retrieval along with a report repository. [www.emomed.com](http://www.emomed.com) is a web application supported by the fiscal agent to support various provider functions such as claims data entry, send and receive files, electronic remittance advice along with real-time inquiries of claims, attachments, prior authorizations, eligibility and payment status.

The state began contracting MMIS with a contractor in 1979. The latest MMIS contract began in FY2008. It consists of one year for takeover and transition, six years contracted for operations, and renewable for three one-year extensions. This new MMIS contract includes seventeen (17) major enhancements scheduled to be implemented over the first few years of the contract period. The highlights of this reengineering include a new relational database, a rules engine, and browser-based functionality.

### Claims Processing

Claims processing changes with the two programs, the fee-for-service program versus the managed care program. Under the fee-for-service program, claims are processed for payment to the provider. Services under managed care which are covered by the capitation payment would not generate a claim. Whoever provides the service is reimbursed by a health plan in some way. The service still results in involvement by IS through the processing of encounter claims. An encounter claim is the same as a regular claim in terms of the information processed, such as patient identification, diagnosis and the service(s) provided; it is just not subject to payment. The MO HealthNet Division needs the encounter claim to know what services are being provided to managed care enrollees, so encounter claims are transmitted by health plans to the fiscal agent where they are processed and the data is stored.

**Managed Care Impact:** The primary issue reflecting the increased demand on Information Systems with the advent of the MC+ Managed Care program is interfacing with numerous different data processing systems. The MMIS system must now "talk" to the system run by the enrollment contractor and each of the seven individual health plans that contract with the state for MC+ Managed Care. Success of the MC+ Managed Care program is data-driven. The agency needs encounter data from the health plans in order to see what services are being provided to agency clients, otherwise on-site audits of thousands of providers would be required. The biggest demand is staff time to work with individual health plans when they have system problems involving the processing of MC+ Managed Care information.

Average claims processing time continues to decrease due to electronic claims processing increases and also due to system improvements. In FY95, the average processing time was 3.03 days. In FY96, it improved to 2.15 days and remained about the same in FY97 at 2.22 days. The average processing time for adjudicating claims in FY99 was 1.81 days, in FY00 was 2.07 days, in FY01 was 1.24 days, in FY02 was 1.77 days, in FY03 was 1.53 days, in FY04 was 1.58 days, in FY05 was 1.24 days, in FY06 was .91 days, and in FY07 was .90 days.

### Fraud and Abuse Detection System

The implementation of a Medicaid Fraud and Abuse Detection System (FADS) occurred in October 2004. The system is designed to maximize the return on investment in fraud and abuse programs. This system will assist staff in monitoring utilization and program compliance by providers and participants within the MO HealthNet program on a post-payment basis to enforce Federal and State Medicaid policy and program restrictions.

### Provider Enrollment Unit

The Provider Enrollment Unit is responsible for maintaining the provider records for all providers enrolled with MO HealthNet. This unit must ensure compliance with all federal and state rules and regulations regarding enrollment of providers in MO HealthNet.

## **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4) and 1903(a)(3); Federal Regulation 42 CFR Part 433 Subpart C.

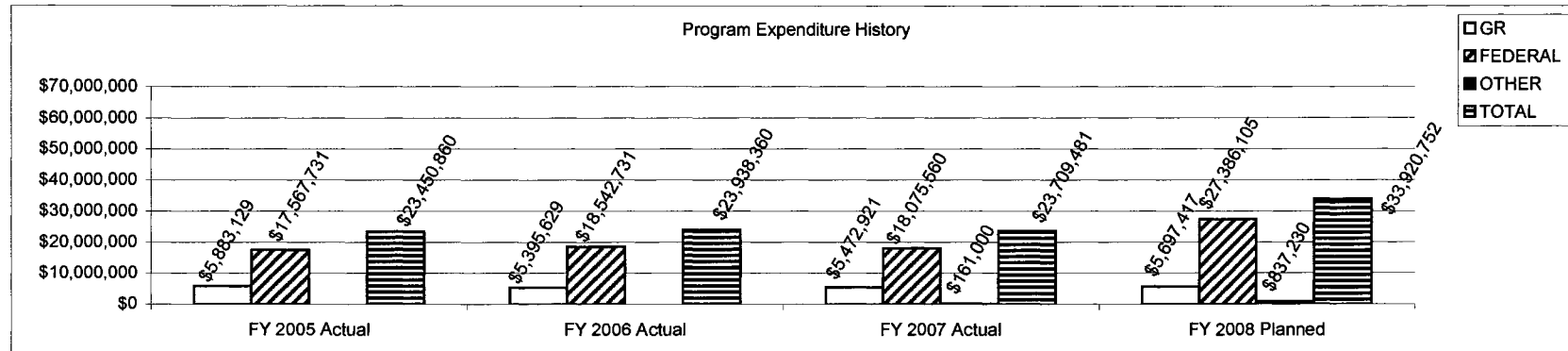
## **3. Are there federal matching requirements? If yes, please explain.**

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Approved system enhancements earn 90% FFP and require 10% state share. Postage earns 50% FFP and requires 50% state share.

**4. Is this a federally mandated program? If yes, please explain.**

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

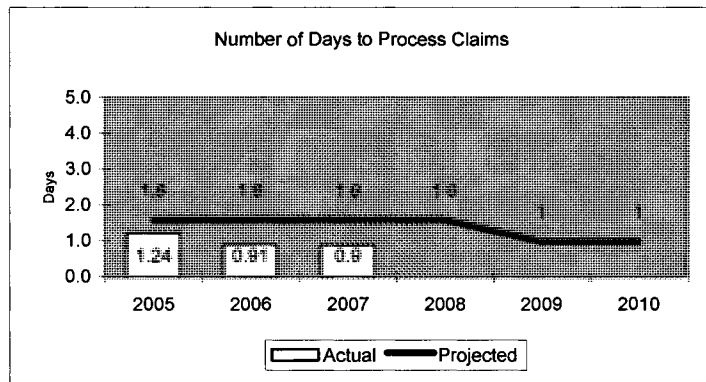
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



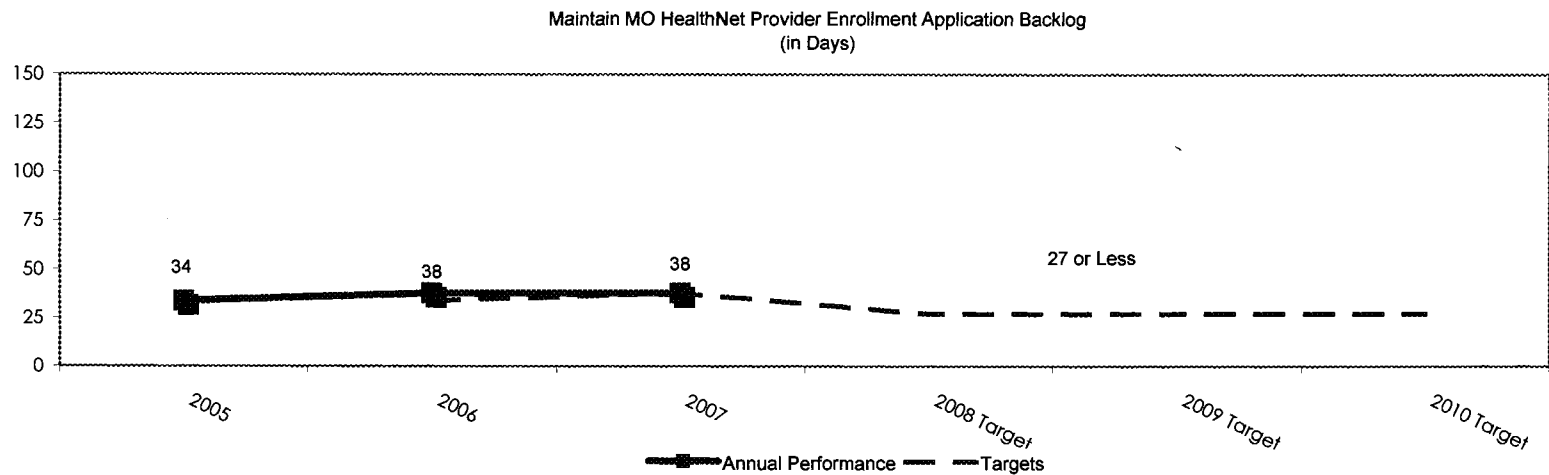
**6. What are the sources of the "Other" funds?**

Healthcare Technology Fund (0170)

**7a. Provide an effectiveness measure.**



**7b. Provide an efficiency measure.**



**7c. Provide the number of clients/individuals served, if applicable.**

Payment Claims and Encounter Claims Processed		
SFY	Actual	Projected
2005	82.0 mil	84.3 mil
2006	81.1 mil	86.1 mil
2007	75.6 mil	85.2 mil
2008		85.2 mil
2009		89.4 mil
2010		93.9 mil

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MC+ ENROLLMENT</b>								
<b>CORE</b>								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	157,500	0.00
DEPT OF SOC SERV FEDERAL & OTH	1,174,174	0.00	1,910,113	0.00	1,910,113	0.00	2,067,613	0.00
TOTAL - EE	1,174,174	0.00	1,910,113	0.00	1,910,113	0.00	2,225,113	0.00
TOTAL	1,174,174	0.00	1,910,113	0.00	1,910,113	0.00	2,225,113	0.00
GRAND TOTAL	\$1,174,174	0.00	\$1,910,113	0.00	\$1,910,113	0.00	\$2,225,113	0.00

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Appropriation: MO HealthNet Managed Care Enrollment (MC+ Enrollment)

Budget Unit: 90525C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE		1,910,113		1,910,113
PSD				
TRF				
Total		1,910,113		1,910,113
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	157,500	2,067,613		2,225,113
PSD				
TRF				
Total	157,500	2,067,613		2,225,113
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

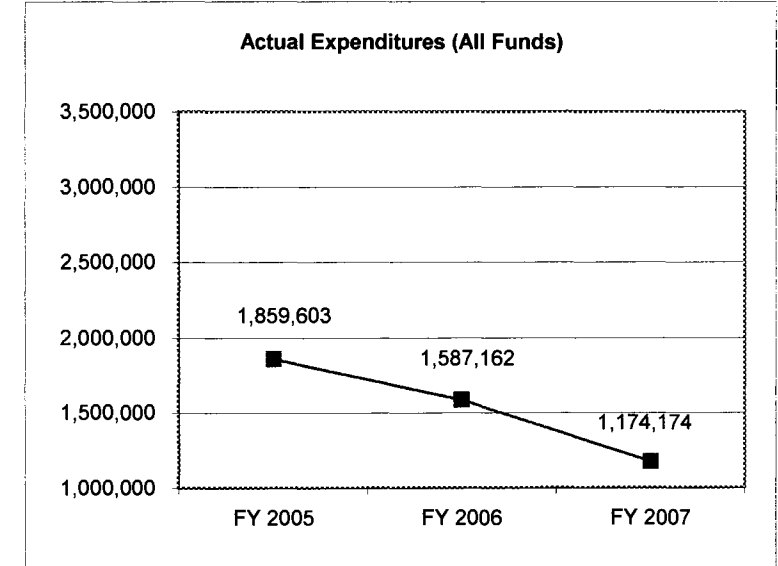
This core request is for the continued funding of the Health Benefit Manager (HBM) contract. The enrollment contract provides all enrollment services, client outreach, and education for the Managed Care program.

## 3. PROGRAM LISTING (list programs included in this core funding)

Managed Care Enrollment

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	1,998,558	1,910,113	1,910,113	1,910,113
Less Reverted (All Funds)	(2,653)	0	0	N/A
Budget Authority (All Funds)	1,995,905	1,910,113	1,910,113	N/A
Actual Expenditures (All Funds)	1,859,603	1,587,162	1,174,174	N/A
Unexpended (All Funds)	136,302	322,951	735,939	N/A
Unexpended, by Fund:				
General Revenue	5,668	0	0	N/A
Federal	130,634	322,951	735,939	N/A
Other	0	0	0	N/A
		(1)	(1)	
			(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) SB 539 eligibility reductions.

(2) Agency reserve of \$115,959 Federal funds.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES MC+ ENROLLMENT

#### 5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>								
		EE	0.00	0	1,910,113	0	1,910,113	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,910,113</b>	<b>0</b>	<b>1,910,113</b>	
<b>DEPARTMENT CORE REQUEST</b>								
		EE	0.00	0	1,910,113	0	1,910,113	
		<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,910,113</b>	<b>0</b>	<b>1,910,113</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reallocation	2231 3716	EE	0.00	0	157,500	0	157,500	Reallocation of MC outreach funds from Admin to MC+ Enrollment
Core Reallocation	2231 3715	EE	0.00	157,500	0	0	157,500	Reallocation of MC outreach funds from Admin to MC+ Enrollment
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>157,500</b>	<b>157,500</b>	<b>0</b>	<b>315,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		EE	0.00	157,500	2,067,613	0	2,225,113	
		<b>Total</b>	<b>0.00</b>	<b>157,500</b>	<b>2,067,613</b>	<b>0</b>	<b>2,225,113</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MC+ ENROLLMENT</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	1,174,174	0.00	1,910,113	0.00	1,910,113	0.00	2,225,113	0.00
TOTAL - EE	1,174,174	0.00	1,910,113	0.00	1,910,113	0.00	2,225,113	0.00
<b>GRAND TOTAL</b>	<b>\$1,174,174</b>	<b>0.00</b>	<b>\$1,910,113</b>	<b>0.00</b>	<b>\$1,910,113</b>	<b>0.00</b>	<b>\$2,225,113</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$157,500	0.00
FEDERAL FUNDS	\$1,174,174	0.00	\$1,910,113	0.00	\$1,910,113	0.00	\$2,067,613	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Managed Care Enrollment Broker**

**Program is found in the following core budget(s): MO HealthNet Managed Care Enrollment (MC+ Enrollment)**

### **1. What does this program do?**

*PROGRAM SYNOPSIS: Provides payment for the Health Benefit Manager Contract. The contractor provides all enrollment services for the MC+ managed care program.*

In 1995, Missouri began enrolling certain MO HealthNet participants into Managed Care health plans as the result of receiving a 1915(b) waiver. In 1998, Missouri received approval of an 1115 waiver (see separate 1115 waiver program description). Waiver eligibles in managed care areas enroll in managed care health plans.

Missouri contracts with a Health Benefits Manager (HBM) to provide enrollment services. The HBM contractor is responsible for managed care enrollment activities. The HBM gathers essential data at the time of enrollment or transfer, such as health risk assessment information. The health risk assessment information is passed to the MO HealthNet Managed Care health plan which assists the health plan in identifying high risk and special needs clients.

The contractor is responsible for training and recruiting their staff and providing all office equipment and systems equipment necessary to provide enrollment services. With a responsive enrollment process providers will have confidence in the system and the enrollment process will not be a source of provider dissatisfaction with the Managed Care program.

Missouri operates the Managed Care program under a 1915(b) waiver which allows for mandatory enrollment in a Managed Care health plan. MO HealthNet Managed Care enrollees have a twelve month lock-in to provide a solid continuum of care. Once an enrollee chooses a Managed Care health plan or is assigned to a Managed Care health plan, the enrollee has ninety days in which to change Managed Care health plans for any reason. After the ninety day period, the enrollee will be allowed to change Managed Care health plans for good cause as determined by the state agency at any time within the twelve month lock-in. Children within the care and custody of the state are allowed automatic and unlimited changes in Managed Care health plan choice as often as circumstances necessitate.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.166; Federal law: Social Security Act Section 1915(b), 1115 Waiver; Federal Regulation: 42 CFR 438

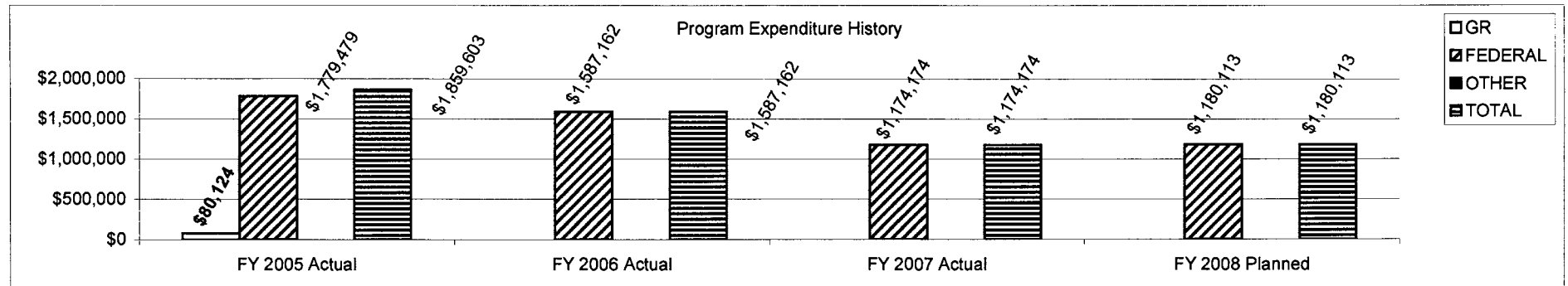
### **3. Are there federal matching requirements? If yes, please explain.**

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

Percent of Enrollees Who Chose Their Own Plan		
SFY	Actual	Projected
2005	94.18%	
2006	92.48%	
2007	93.00%	
2008		95.00%
2009		95.00%
2010		95.00%

**7c. Provide the number of clients/individuals served, if applicable.**

Managed Care Enrollees		
SFY	Actual	Enrollees
2005	426,873	
2006	379,795	439,679
2007	349,391	371,895
2008		401,097
2009		402,071
2010		402,071

**7d. Provide a customer satisfaction measure, if available.**





# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>HC HOME ENROLLMENT</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	1,367,636	0.00	0	0.00	0	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	2,500,000	0.00	0	0.00	0	0.00	
TOTAL - PD	0	0.00	3,867,636	0.00	0	0.00	0	0.00	
TOTAL	0	0.00	3,867,636	0.00	0	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$3,867,636	0.00	\$0	0.00	\$0	0.00	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Health Care Home Enrollment

Budget Unit: 90526C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

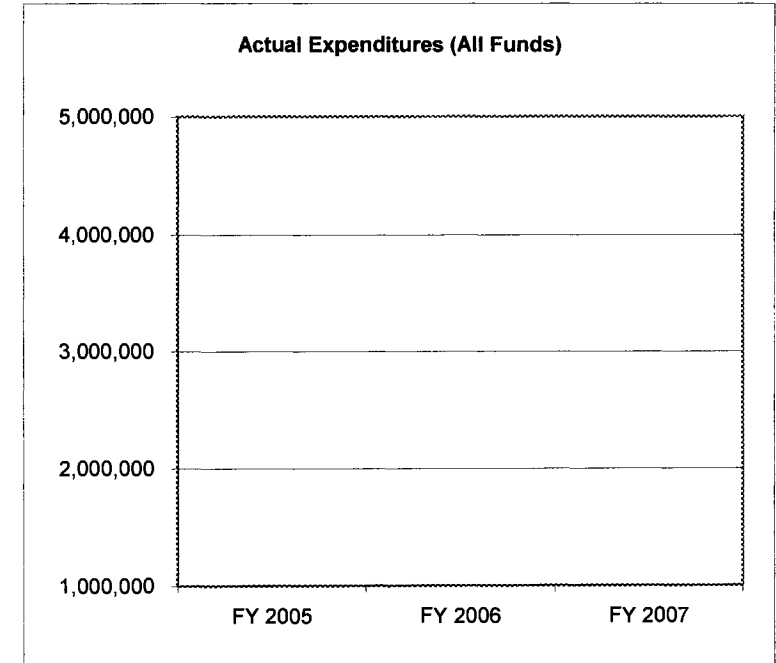
The core request is for the funding of a contract with an enrollment broker to help MO HealthNet participants select a health care home and a health care home coordinator. In FY 09 funding is being transferred to the MO HealthNet Participant Case Management core.

## 3. PROGRAM LISTING (list programs included in this core funding)

Health Care Home Enrollment

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation:				
Health Care				
Home Enrollment				
Appropriation (All Funds)	0	0	0	3,867,636
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue			0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(1)	(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) This is a new appropriation in FY 08.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**HC HOME ENROLLMENT**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				PD	0.00	1,367,636	2,500,000	0	3,867,636	
				<b>Total</b>	<b>0.00</b>	<b>1,367,636</b>	<b>2,500,000</b>	<b>0</b>	<b>3,867,636</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	897	3773		PD	0.00	0	(1,132,364)	0	(1,132,364)	Core cut empty federal authority
Core Reallocation	954	3773		PD	0.00	0	(1,367,636)	0	(1,367,636)	Transfer to MO HealthNet Participant Case Management
Core Reallocation	954	3772		PD	0.00	(1,367,636)	0	0	(1,367,636)	Transfer to MO HealthNet Participant Case Management
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(1,367,636)</b>	<b>(2,500,000)</b>	<b>0</b>	<b>(3,867,636)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	0	0	0	0	
				PD	0.00	0	0	0	0	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				EE	0.00	0	0	0	0	
				PD	0.00	0	0	0	0	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HC HOME ENROLLMENT								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	3,867,636	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	3,867,636	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$3,867,636	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$1,367,636	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$2,500,000	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Health Care Home Enrollment**

**Program is found in the following core budget(s): Health Care Home Enrollment**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payment for a contract with an enrollment broker to help MO HealthNet participants select a health care home.*

The funds from this core is being transferred to the MO HealthNet Participant Case Management core See that program description for more information on health care home enrollment.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.950

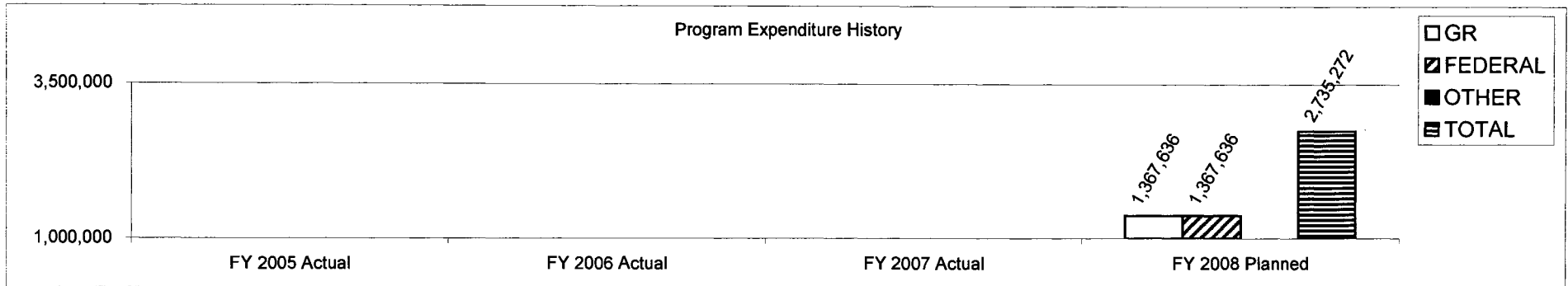
### 3. Are there federal matching requirements? If yes, please explain.

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

### 4. Is this a federally mandated program? If yes, please explain.



**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MHN PARTICIPANT CASE MGMT</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	0	0.00	0	0.00	1,367,636	0.00	1,367,636	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,367,636	0.00	1,367,636	0.00	
TOTAL - EE	0	0.00	0	0.00	2,735,272	0.00	2,735,272	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	4,888,540	0.00	4,954,378	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	8,620,621	0.00	8,620,621	0.00	
TOTAL - PD	0	0.00	0	0.00	13,509,161	0.00	13,574,999	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>16,244,433</b>	<b>0.00</b>	<b>16,310,271</b>	<b>0.00</b>	
<b>MHN Participant Case Mngment - 1886031</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	0	0.00	0	0.00	1,132,364	0.00	442,364	0.00	
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,132,364	0.00	442,364	0.00	
TOTAL - EE	0	0.00	0	0.00	2,264,728	0.00	884,728	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	9,158,338	0.00	9,158,338	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	12,757,514	0.00	12,757,514	0.00	
TOTAL - PD	0	0.00	0	0.00	21,915,852	0.00	21,915,852	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>24,180,580</b>	<b>0.00</b>	<b>22,800,580</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$40,425,013</b>	<b>0.00</b>	<b>\$39,110,851</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: MO HealthNet Participant Case Management

Budget Unit: 90527C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE	1,367,636	1,367,636		2,735,272
PSD	4,888,540	8,620,621		13,509,161
TRF				
Total	6,256,176	9,988,257		16,244,433
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE	1,367,636	1,367,636		2,735,272
PSD	4,954,378	8,620,621		13,574,999
TRF				
Total	6,322,014	9,988,257		16,310,271
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

This core request is for funding of a contract with an enrollment broker to help MO HealthNet participants select a health care home and a health care coordinator. Funding is also used for an annual health risk assessment.

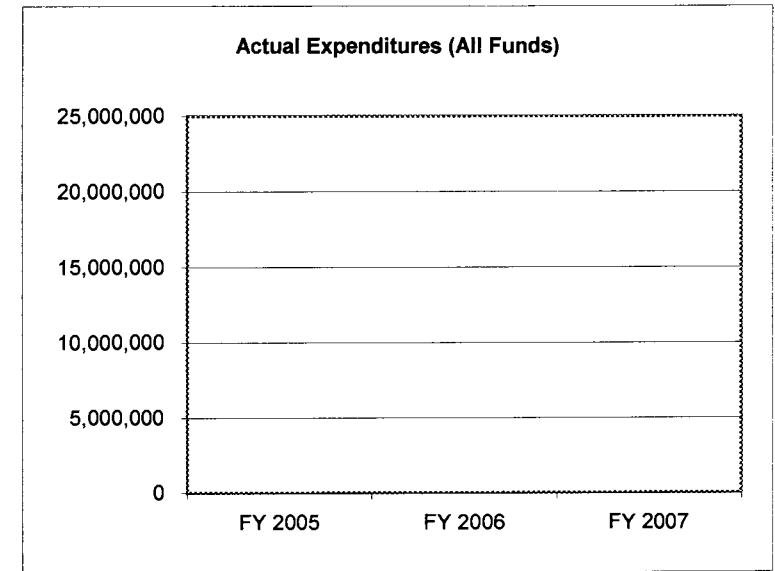
Senate Bill 577 requires the MO HealthNet Division (MHD) to establish health improvement plans for all MHD participants. This will also be used to fund Administrative Service Organizations (ASOs) and other health improvement plans as allowed under SB 577.

## 3. PROGRAM LISTING (list programs included in this core funding)

MO HealthNet Participant Case Management

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)				N/A
Less Reverted (All Funds)				N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)				N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue				N/A
Federal				N/A
Other				N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

New core for FY 09

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**MHN PARTICIPANT CASE MGMT**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reallocation	960	2648	PD		0.00	0	1,367,636	0	1,367,636	Transfer in HC Home Enrollment Broker core funding
Core Reallocation	960	2645	PD		0.00	1,367,636	0	0	1,367,636	Transfer in HC Home Enrollment Broker core funding
Core Reallocation	961	2676	PD		0.00	0	7,671,923	0	7,671,923	Transfer in Health Risk Appraisal Core funding from Physicians
Core Reallocation	961	2645	PD		0.00	4,517,341	0	0	4,517,341	Transfer in Health Risk Appraisal Core funding from Physicians
Core Reallocation	962	2676	PD		0.00	0	163,107	0	163,107	Transfer in Health Risk Appraisal Core funding from Women's Health Services
Core Reallocation	962	2645	PD		0.00	96,040	0	0	96,040	Transfer in Health Risk Appraisal Core funding from Women's Health Services
Core Reallocation	963	2645	PD		0.00	275,159	0	0	275,159	Transfer in Health Risk Appraisal Core funding from S-CHIP
Core Reallocation	963	2676	PD		0.00	0	785,591	0	785,591	Transfer in Health Risk Appraisal Core funding from S-CHIP
Core Reallocation	1167	2648	EE		0.00	0	1,367,636	0	1,367,636	
Core Reallocation	1167	2645	EE		0.00	1,367,636	0	0	1,367,636	
Core Reallocation	1167	2648	PD		0.00	0	(1,367,636)	0	(1,367,636)	
Core Reallocation	1167	2645	PD		0.00	(1,367,636)	0	0	(1,367,636)	
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>6,256,176</b>	<b>9,988,257</b>	<b>0</b>	<b>16,244,433</b>	
<b>DEPARTMENT CORE REQUEST</b>										
			EE		0.00	1,367,636	1,367,636	0	2,735,272	

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**MHN PARTICIPANT CASE MGMT**

**5. CORE RECONCILIATION DETAIL**

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>DEPARTMENT CORE REQUEST</b>								
	PD		0.00	4,888,540	8,620,621	0	13,509,161	
	<b>Total</b>		<b>0.00</b>	<b>6,256,176</b>	<b>9,988,257</b>	<b>0</b>	<b>16,244,433</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reallocation	2237 2645	PD	0.00	65,838	0	0	65,838	Reallocation of health appraisal funding from State Medical to Participant Case Mgmt.
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>65,838</b>	<b>0</b>	<b>0</b>	<b>65,838</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
	EE		0.00	1,367,636	1,367,636	0	2,735,272	
	PD		0.00	4,954,378	8,620,621	0	13,574,999	
	<b>Total</b>		<b>0.00</b>	<b>6,322,014</b>	<b>9,988,257</b>	<b>0</b>	<b>16,310,271</b>	



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MHN PARTICIPANT CASE MGMT</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	0	0.00	0	0.00	2,735,272	0.00	2,735,272	0.00
TOTAL - EE	0	0.00	0	0.00	2,735,272	0.00	2,735,272	0.00
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	13,509,161	0.00	13,574,999	0.00
TOTAL - PD	0	0.00	0	0.00	13,509,161	0.00	13,574,999	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$16,244,433</b>	<b>0.00</b>	<b>\$16,310,271</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$6,256,176	0.00	\$6,322,014	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$9,988,257	0.00	\$9,988,257	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Appropriation: MO HealthNet Participant Case Management

Budget Unit: 90527C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	1,367,636	1,367,636		2,735,272
PSD	4,888,540	8,620,621		13,509,161
TRF				
Total	6,256,176	9,988,257		16,244,433

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	1,367,636	1,367,636		2,735,272
PSD	4,954,378	8,620,621		13,574,999
TRF				
Total	6,322,014	9,988,257		16,310,271

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

## 2. CORE DESCRIPTION

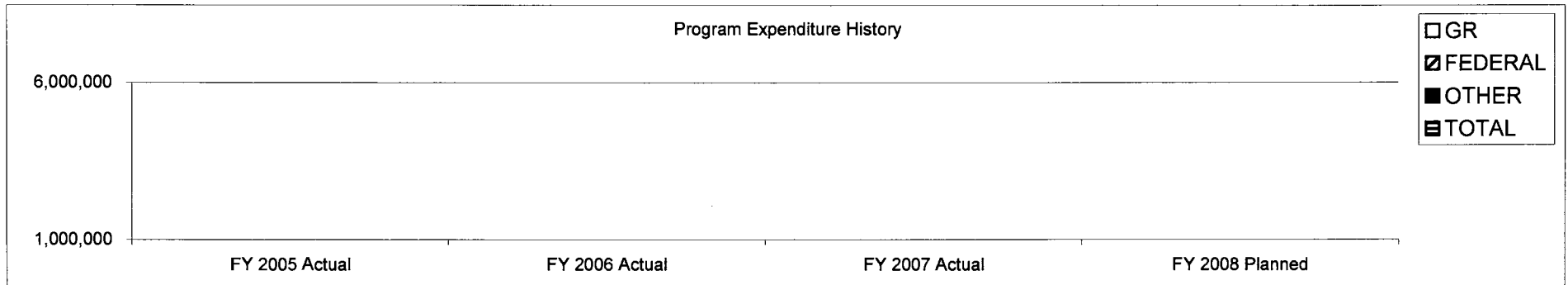
This core request is for funding of a contract with an enrollment broker to help MO HealthNet participants select a health care home and a health care coordinator. Funding is also used for an annual health risk assessment.

Senate Bill 577 requires the MO HealthNet Division (MHD) to establish health improvement plans for all MHD participants. This will also be used to fund Administrative Service Organizations (ASOs) and other health improvement plans as allowed under SB 577.

## 3. PROGRAM LISTING (list programs included in this core funding)

MO HealthNet Participant Case Management

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**7d. Provide a customer satisfaction measure, if available.**

**NEW DECISION ITEM**

**RANK: 26**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: MO HealthNet Participant Case Management**

**Budget Unit: 90527C**

**DI#: 1886031**

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	1,132,364	1,132,364		2,264,728
PSD	9,158,338	12,757,514		21,915,852
TRF				
<b>Total</b>	<b>10,290,702</b>	<b>13,889,878</b>		<b>24,180,580</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	442,364	442,364		884,728
PSD	9,158,338	12,757,514		21,915,852
TRF				
<b>Total</b>	<b>9,600,702</b>	<b>13,199,878</b>		<b>22,800,580</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input checked="" type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other: _____	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funding is requested for an annual health risk assessment, enrollment broker services to help select a health care home, and creation of health improvement plans for each MO HealthNet participant.*

As part of the transformation of Medicaid to MO HealthNet, participants will be asked to take a more active role in their health care. Each participant will have a health care home. The health care home will assist participants and their support system with accessing primary care services, coordinating referrals and obtaining specialty care. Funding is requested for an enrollment broker who will work with the participant in a preliminary SF-8 assessment to help the client choose a health care home.

A health care home will be selected in collaboration with participants. The health care home will educate and foster an ongoing relationship with the participant. The health care home provider develop an electronically-based plan of care based upon the health risk assessment for the participant that will provide the participant, the health care home and other providers a roadmap for maintaining or improving the participant's health status. The plan of care will address the appropriate level of care for each participant.

Senate Bill 577 requires the MO HealthNet Division (MHD) to establish health improvement plans for all MHD participants. The decision item includes funding for the establishment of Administrative Service Organizations (ASO). ASOs are one of three types of health improvement plans described in SB 577. The other two health improvement plans described in the bill are risk-bearing coordinated care plans (similar to the existing managed care plans) and coordinated fee-for-service plans.

State Authority Section 208.950

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

This request funds the costs to provide fee-for-service MO HealthNet participants with the following health care management services.

- An enrollment broker to assist the participant in choosing a health care home
- An annual health risk assessment
- A health improvement plan (development and monitoring/coaching)

The number of MO HealthNet participants included in the calculation are fee-for-service participants who do not currently have a health care home.

The average per member per month (PMPM) cost is estimated at \$15.81.

Funding appropriated in the FY 2008 budget to partially fund an enrollment broker / health risk assessment and transferred to the MO HealthNet Participant Case Management core was subtracted from the total cost to arrive at the new decision item request.

Fee-for-services	212,046	
Average PMPM	\$15.81	
Monthly Cost	<u>\$3,352,447</u>	
Annualized Cost	\$40,229,367	
Less: Core Funding	<u>(\$16,048,787)</u>	
Department Request	\$24,180,580	
Governor's Rec	\$22,800,580	Corrects core funding calculation in DSS estimate. Assumes lower cost for enrollment broker component.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	1,132,364		1,132,364				2,264,728		
Total EE	1,132,364		1,132,364		0		2,264,728		0
Program Distributions	9,158,338		12,757,514				21,915,852		
Total PSD	9,158,338		12,757,514		0		21,915,852		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	10,290,702	0.0	13,889,878	0.0	0	0.0	24,180,580	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	442,364		442,364				884,728		
Total EE	442,364		442,364		0		884,728		0
Program Distributions	9,158,338		12,757,514				21,915,852		
Total PSD	9,158,338		12,757,514		0		21,915,852		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	9,600,702	0.0	13,199,878	0.0	0	0.0	22,800,580	0.0	0



**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Identify providers currently serving the targeted population to invite them to participate in the chronic care improvement program.
- Make personal visits with providers to explain the program and assist with enrollment paperwork.
- Focus on clinical benefits of their participation as well as showing providers the financial incentives.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Dedicated help desk for provider support.
- Evaluate edits causing the largest denials.
- Post on the Internet the most common billing errors and how to avoid them.
- Conduct provider education seminars.
- Assure provider manuals are updated timely.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MHN PARTICIPANT CASE MGMT</b>								
<b>MHN Participant Case Mngment - 1886031</b>								
PROFESSIONAL SERVICES	0	0.00	0	0.00	2,264,728	0.00	884,728	0.00
TOTAL - EE	0	0.00	0	0.00	2,264,728	0.00	884,728	0.00
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	21,915,852	0.00	21,915,852	0.00
TOTAL - PD	0	0.00	0	0.00	21,915,852	0.00	21,915,852	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$24,180,580</b>	<b>0.00</b>	<b>\$22,800,580</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$10,290,702	0.00	\$9,600,702	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$13,889,878	0.00	\$13,199,878	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit		FY 2007		FY 2008		FY 2009		FY 2009	
Decision Item		ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Summary		DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
Fund		DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE		267,442	0.00	0	0.00	500,000	0.00	500,000	0.00
TITLE XIX-FEDERAL AND OTHER		707,558	0.00	0	0.00	500,000	0.00	500,000	0.00
TOTAL - EE		975,000	0.00	0	0.00	1,000,000	0.00	1,000,000	0.00
PROGRAM-SPECIFIC									
GENERAL REVENUE		127,645,230	0.00	168,332,859	0.00	162,797,139	0.00	147,849,294	0.00
TITLE XIX-FEDERAL AND OTHER		329,026,721	0.00	468,567,613	0.00	468,067,613	0.00	444,187,518	0.00
PHARMACY REBATES		37,257,750	0.00	50,206,121	0.00	50,206,121	0.00	50,206,121	0.00
THIRD PARTY LIABILITY COLLECT		0	0.00	5,271,334	0.00	5,271,334	0.00	5,271,334	0.00
PHARMACY REIMBURSEMENT ALLOWAN		9,330,090	0.00	31,141,351	0.00	31,141,351	0.00	31,141,351	0.00
HEALTH INITIATIVES		940,214	0.00	969,293	0.00	969,293	0.00	969,293	0.00
HEALTHY FAMILIES TRUST		0	0.00	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00
HFT-HEALTH CARE ACCT		1,041,034	0.00	0	0.00	0	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST		33,250,000	0.00	21,750,000	0.00	0	0.00	21,750,000	0.00
PREMIUM		3,800,000	0.00	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00
TOTAL - PD		542,291,039	0.00	751,079,605	0.00	723,293,885	0.00	706,215,945	0.00
<b>TOTAL</b>		<b>543,266,039</b>	<b>0.00</b>	<b>751,079,605</b>	<b>0.00</b>	<b>724,293,885</b>	<b>0.00</b>	<b>707,215,945</b>	<b>0.00</b>
<b>Replace Life Sciences Trust - 1886002</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE		0	0.00	0	0.00	21,750,000	0.00	0	0.00
TOTAL - PD		0	0.00	0	0.00	21,750,000	0.00	0	0.00
<b>TOTAL</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>21,750,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE		0	0.00	0	0.00	142,840	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER		0	0.00	0	0.00	242,588	0.00	0	0.00
TOTAL - PD		0	0.00	0	0.00	385,428	0.00	0	0.00
<b>TOTAL</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>385,428</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>PHARMACY</b>									
<b>Pharmacy PMPM Increase - 1886008</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	33,995,828	0.00	8,809,046	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	57,736,034	0.00	44,796,484	0.00	
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	17,500,000	0.00	
TOTAL - PD	0	0.00	0	0.00	91,731,862	0.00	71,105,530	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>91,731,862</b>	<b>0.00</b>	<b>71,105,530</b>	<b>0.00</b>	
<b>CtoC SB 577 Women's Health Prg - 1886028</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	343,900	0.00	343,370	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	981,852	0.00	982,382	0.00	
TOTAL - PD	0	0.00	0	0.00	1,325,752	0.00	1,325,752	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,325,752</b>	<b>0.00</b>	<b>1,325,752</b>	<b>0.00</b>	
<b>FMAP - 1886014</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	5,035,720	0.00	5,483,565	0.00	
TOTAL - PD	0	0.00	0	0.00	5,035,720	0.00	5,483,565	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>5,035,720</b>	<b>0.00</b>	<b>5,483,565</b>	<b>0.00</b>	
<b>Tobacco Cessation Pharmacy - 1886038</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	3,050,775	0.00	
HEALTHY FAMILIES TRUST	0	0.00	0	0.00	0	0.00	1,791,725	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	4,842,500	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4,842,500</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$543,266,039</b>	<b>0.00</b>	<b>\$751,079,605</b>	<b>0.00</b>	<b>\$844,522,647</b>	<b>0.00</b>	<b>\$789,973,292</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Pharmacy

Budget Unit: 90541C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request					FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE	500,000	500,000		1,000,000	EE	500,000	500,000		1,000,000
PSD	162,797,139	468,067,613	92,429,133	723,293,885	PSD	147,849,294	444,187,518	114,179,133	706,215,945
TRF					TRF				
Total	163,297,139	468,567,613	92,429,133	724,293,885	Total	148,349,294	444,687,518	114,179,133	707,215,945
FTE				0.00	FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Pharmacy Rebates Fund (0114)  
Third Party Liability Collections Fund (TPL) (0120)  
Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Health Families Trust Fund (0625)  
Premium Fund (0885)

Other Funds: Pharmacy Rebates Fund (0114)  
Third Party Liability Collections Fund (TPL) (0120)  
Pharmacy Reimbursement Allowance Fund (0144)  
Health Initiatives Fund (HIF) (0275)  
Health Families Trust Fund (0625)  
Premium Fund (0885)

Notes: An "E" is requested for the \$50,206,121 Pharmacy Rebates Fund and for the \$31,141,351 Pharmacy Reimbursement Allowance Fund

Notes: An "E" is requested for the \$50,206,121 Pharmacy Rebates Fund and for the \$31,141,351 Pharmacy Reimbursement Allowance Fund

## 2. CORE DESCRIPTION

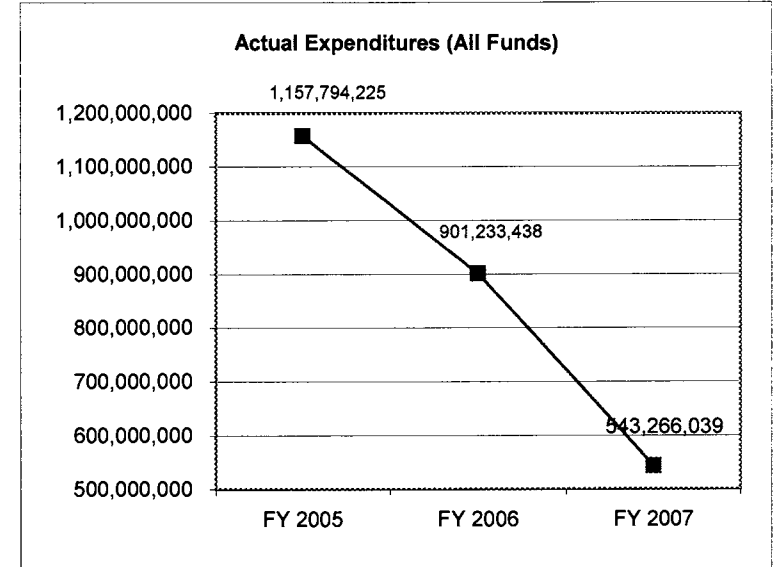
This core request is for the continued funding of the pharmacy fee-for-service program. Funding provides pharmacy services for the non-managed care MO HealthNet population. Funding is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation.

## 3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	1,179,156,068	901,439,230	663,627,151	751,079,605 E
Less Reverted (All Funds)	(29,079)	(29,079)	(7,776,315)	N/A
Budget Authority (All Funds)	1,179,126,989	901,410,151	655,850,836	N/A
Actual Expenditures (All Funds)	1,157,794,225	901,233,438	543,266,039	N/A
Unexpended (All Funds)	21,332,764	176,713	112,584,797	N/A
Unexpended, by Fund:				
General Revenue	0	0	7,289,531	N/A
Federal	17,572,764	1	80,605,536	N/A
Other	3,760,000	176,712	24,689,730	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

Prior to MMA, pharmacy services for dual eligibles were paid from this appropriation. Since January 2006 dual eligibles receive pharmacy thru Medicare Part D.

**NOTES:**

Estimated "E" appropriation for Pharmacy Rebates Fund for FY 2005 thru FY 2008.

(1) Agency reserve of \$3,760,000 TPL fund. Lapse of \$17,572,764 in federal authority. Expenditures of \$5,079,767 were paid from the Supplemental Pool (GR).

(2) Agency reserve of \$176,712 Healthy Families Trust Fund-Health Care Account (HFT). Expenditures totaling \$408 were paid from the Supplemental Pool (Pharmacy)

(3) Agency reserve of \$5,250,000 Life Science Research.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES PHARMACY

#### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				PD	0.00	168,332,859	468,567,613	114,179,133	751,079,605	
				<b>Total</b>	<b>0.00</b>	<b>168,332,859</b>	<b>468,567,613</b>	<b>114,179,133</b>	<b>751,079,605</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	871	2525		PD	0.00	(5,035,720)	0	0	(5,035,720)	FMAP Adjustment
Core Reduction	894	3051		PD	0.00	0	0	(21,750,000)	(21,750,000)	Core cut Life Sciences Research core funding (GR pick-up NDI)
Core Reallocation	536	2526		EE	0.00	0	500,000	0	500,000	
Core Reallocation	536	2525		EE	0.00	500,000	0	0	500,000	
Core Reallocation	536	2525		PD	0.00	(500,000)	0	0	(500,000)	
Core Reallocation	536	2526		PD	0.00	0	(500,000)	0	(500,000)	
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(5,035,720)</b>	<b>0</b>	<b>(21,750,000)</b>	<b>(26,785,720)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	500,000	500,000	0	1,000,000	
				PD	0.00	162,797,139	468,067,613	92,429,133	723,293,885	
				<b>Total</b>	<b>0.00</b>	<b>163,297,139</b>	<b>468,567,613</b>	<b>92,429,133</b>	<b>724,293,885</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	871	2525		PD	0.00	(447,845)	0	0	(447,845)	FMAP Adjustment
Core Reduction	894	3051		PD	0.00	0	0	21,750,000	21,750,000	Core cut Life Sciences Research core funding (GR pick-up NDI)
Core Reduction	2241	2525		PD	0.00	(14,500,000)	0	0	(14,500,000)	Core Reduction in Pharmacy



**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PHARMACY**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	2241	2526	PD		0.00	0	(23,880,095)	0	(23,880,095)	Core Reduction in Pharmacy
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(14,947,845)</b>	<b>(23,880,095)</b>	<b>21,750,000</b>	<b>(17,077,940)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
			EE		0.00	500,000	500,000	0	1,000,000	
			PD		0.00	147,849,294	444,187,518	114,179,133	706,215,945	
<b>Total</b>					<b>0.00</b>	<b>148,349,294</b>	<b>444,687,518</b>	<b>114,179,133</b>	<b>707,215,945</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	975,000	0.00	0	0.00	1,000,000	0.00	1,000,000	0.00
TOTAL - EE	975,000	0.00	0	0.00	1,000,000	0.00	1,000,000	0.00
PROGRAM DISTRIBUTIONS	542,291,039	0.00	751,079,605	0.00	723,293,885	0.00	706,215,945	0.00
TOTAL - PD	542,291,039	0.00	751,079,605	0.00	723,293,885	0.00	706,215,945	0.00
<b>GRAND TOTAL</b>	<b>\$543,266,039</b>	<b>0.00</b>	<b>\$751,079,605</b>	<b>0.00</b>	<b>\$724,293,885</b>	<b>0.00</b>	<b>\$707,215,945</b>	<b>0.00</b>
GENERAL REVENUE	\$127,912,672	0.00	\$168,332,859	0.00	\$163,297,139	0.00	\$148,349,294	0.00
FEDERAL FUNDS	\$329,734,279	0.00	\$468,567,613	0.00	\$468,567,613	0.00	\$444,687,518	0.00
OTHER FUNDS	\$85,619,088	0.00	\$114,179,133	0.00	\$92,429,133	0.00	\$114,179,133	0.00



## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payment for pharmacy services for fee for service MO HealthNet/MC+ participants.*

This Pharmacy Services appropriation provides funding for fee-for-service eligibles for prescription drugs produced by manufacturers for which there exists a rebate agreement between the manufacturer and the federal Department of Health and Human Services (HHS) and dispensed by qualified providers. Since January 1, 1991, the MO HealthNet program has provided reimbursement for all outpatient drugs (except for those which are specifically excluded or for which prior authorization is necessary) for which there is a manufacturer's rebate agreement. While over-the-counter preparations do not require a prescription for sale to the general public, a prescription for those selected types of over-the-counter products that qualify for MO HealthNet coverage is required in order for the product to be reimbursable. In general terms, MO HealthNet drug reimbursement is made at the lower of: the Wholesale Acquisition Cost (WAC) plus 10%; the Federal Upper Limit (FUL); the Missouri Maximum Acquisition Cost (MAC); or the billed charge.

The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act of 1990 (OBRA '90). The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies by requiring the drug manufacturers to pay a rebate directly to the state Medicaid programs. The intent of this rebate is to allow the state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

#### Rebate Program

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with the Department of Health and Human Services before their product lines will be eligible for coverage by Medicaid. Currently, 500 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. Approximately 400 manufacturers have products dispensed and are invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturer's covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than sixty days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing. For generic drugs, the rebate amount is currently 11% of Average Manufacturer Price (AMP). For multi-source drugs, the rebate is the greater of 15% of AMP or the difference between the AMP and the manufacturer's "best price", plus CPI-U factors. The manufacturer has the option of disputing the calculated drug rebate amount if the manufacturer disagrees with the state's drug utilization data. The manufacturer is required to report the nature of the dispute to the state, and the state is then responsible for resolving the dispute through negotiation or a hearing process, if necessary. Approximately 40% of the total rebates collected are used as a state share funding source rather than using General Revenue funds. The approximate 60% federal share of the rebates collected is returned to the federal government.

#### Prior Authorization

Any covered outpatient drug can be subject to prior authorization. Effective August 1, 1992, a prior authorization (PA) process was implemented for certain specific drugs under the pharmacy program.

Drug prior authorization (PA) requests are received via telephone, fax, or mail. All requests for drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA 90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return FAX or phone call. The MO HealthNet Technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC, School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

#### Board and Committee Support and Oversight

The MO HealthNet Division operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications, and informing providers of potential drug therapy problems found in the review of drug and diagnostic information obtained from MO HealthNet claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse.

In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the Division on other issues related to appropriate drug therapy, and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, there is a Regional DUR Committee. The regional committee is comprised of physicians and pharmacists who evaluate individual MO HealthNet participants' retrospective drug regimens and advise their providers on appropriate drug use or potentially problematic drug therapies.

The MO HealthNet Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the Division.

#### Cost Containment Initiatives

As a result of new drugs, rapidly changing prescribing patterns, and increased expenditures in the MO HealthNet fee-for-service pharmacy program, the MO HealthNet program continues to implement a number of administrative measures to ensure the economic and efficient provision of the MO HealthNet pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MO HealthNet participants get the right drug to meet their needs, in the right amount, and for the right period of time. Examples of some of the cost containment initiatives include:

31-Day Maximum Supply: Effective for dates of service on or after December 1, 2000, the State agency implemented a 31-day maximum supply restriction on claims submitted for prescriptions dispensed to MO HealthNet participants. Pharmacy claims submitted for a days supply greater than allowed under this policy will be denied. The following categories are exempt from this restriction: antiretroviral agents, oral contraceptives, children's vitamins, prenatal vitamins, and drug products limited by packaging requirements.

Expanded Missouri Maximum Allowable Cost (MAC) List: The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identifying new generic drugs for addition to this list, as they become available. This optimizes generic utilization in the MO HealthNet program.

Unique Prescriber Number: Effective for dates of service on or after December 1, 2001, the MO HealthNet pharmacy claims filing process requires the MO HealthNet provider number, DEA number or NPI (when available) in the prescriber identification field. Claims submitted on or after that date that do not identify the prescriber's MO HealthNet provider number, DEA number or NPI will be rejected.

Edits - Early Refill: Effective for claims submitted on or after March 18, 2002, the ability of pharmacy providers to manually override claims denied for the early refill edit, has been revoked. Providers must now contact the help desk in order to obtain an override for payment of claims being denied for the early refill edit.

Edits - Dose Optimization: Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program will be subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the help desk. Justification for utilization outside expected patterns such as FDA approved labeling will be required for approval of such an override.

Pharmacy Provider Tax: The Missouri General Assembly passed legislation establishing a tax on licensed retail pharmacies in Missouri for the privilege of providing outpatient prescription drugs. The tax is based on the information obtained in an affidavit sent to pharmacies in June 2002, including monthly gross retail prescription pharmacy receipts. The Department of Social Services has notified each pharmacy of the amount of tax due. The first payment was due August 15, 2002. This tax may be withheld from each pharmacy's MO HealthNet check through an offset or the pharmacy may send a check or money order. Effective July 1, 2007, Missouri pharmacies were given an enhanced dispensing fee of \$4.82, for a total dispensing fee of \$9.66.

Coverage of Over-the-Counter Medications: This program monitors the product utilization to detect shifts in the prescribing patterns from deleted OTC drugs to more expensive prescription products. The program has now determined areas in which the shift is occurring and thus where cost savings could be achieved if specific and limited OTC drugs are covered. The program continues to monitor the product utilization to detect shifts in the prescribing patterns from deleted OTC drugs to more expensive prescription products.

Prior Authorization of All New Drugs: Effective July 1, 2002, prior authorization is required for all new drug entities and new drug product dosage forms of existing drug entities that have been approved by the Food and Drug Administration and are available on the market. After identifying these products through First Data Bank's weekly updates, the medications are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program.

Enhanced Retrospective Drug Utilization: Enhanced Retrospective Drug Utilization involves retroactively reviewing population based patterns of drug use to compare those patterns to approved therapeutic guidelines in order to determine the appropriateness of care, length of treatment, drug interaction, and other clinical issue.

Provider Audits: Daily provider audits are performed by MHD/IFOX staff for the identification and resolution of potential recoupments.

Enhanced pharmacy contract: Given the financial constraints on the state's MO HealthNet budget, the high cost of treating chronically ill patients, and the desire to improve patient outcomes and health status, the MO HealthNet Division has awarded a one year contract (with renewal options) to ACS-Heritage Information Systems, Inc. of Richmond, Virginia, to provide enhanced pharmacy services consisting of the following 3 (three) components:

- ♦ **Disease Management** - This initiative is a proactive approach designed to meet the comprehensive needs of the individual that will slow the progression of chronic disease and avoid medical crises to the greatest possible degree. Based on a cooperative physician and pharmacist team recruited by Heritage, the disease management program will be designed to deliver services to patients with a goal of achieving improved patient care, improved patient outcomes, reduced inpatient hospitalization, reduced emergency room visits, lower total cost, and better educated provider and patients.
- ♦ **Fiscal and Clinical Edits** - This initiative will optimize the use of program funds and enhance patient care through improved use of pharmaceuticals. Since the implementation of the Omnibus Budget Reduction Act of 1990 (OBRA 90), education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent (IFOX) have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payors have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. Such edits are applicable within the Medicaid program to achieve similar cost controls.

Point-of-service pharmacy claims will be routed through Heritage's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits will be founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by IFOX for all other edits and final adjudication. After processing by Heritage and IFOX, the claim will be sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

- ♦ **Drug Utilization Review** - This process is currently provided by Heritage, and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database / computer system as for the previously described components. This system uses a relational database capable of interfacing MO HealthNet paid claims history with flexible, high quality clinical evaluation criteria. The process will be designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process will also be capable of identifying providers prescribing and dispensing practices which deviate from defined standards, as well as generate provider profiles and ad hoc reports for specified provider and participant populations. The goal of the program will be to maximize drug therapy and outcomes, and optimize expenditures for health care.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State: RSMo. 208.152, 208.166, Federal law: Social Security Act Section 1902(a)(12), Federal regulation: 42 CFR 440.120

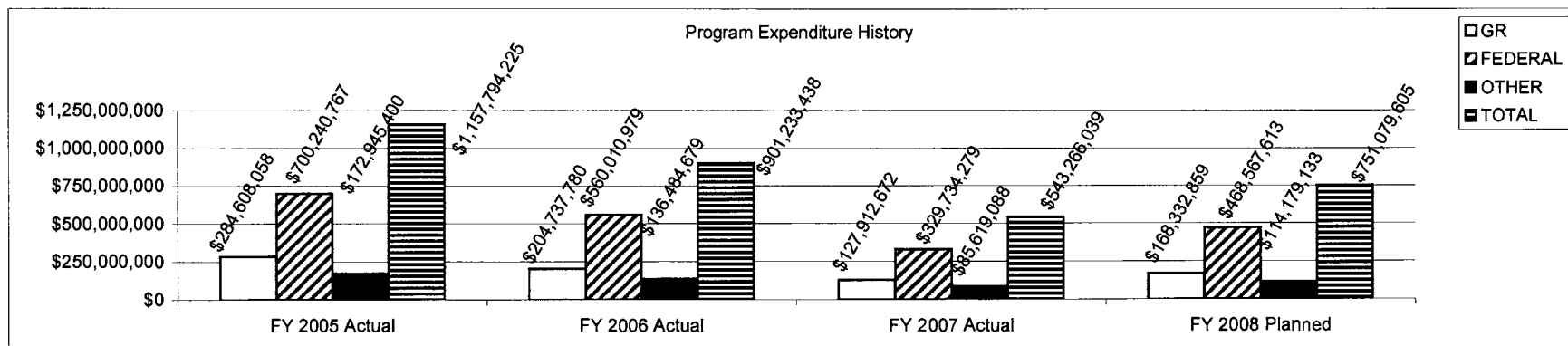
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes for children. No for adults.

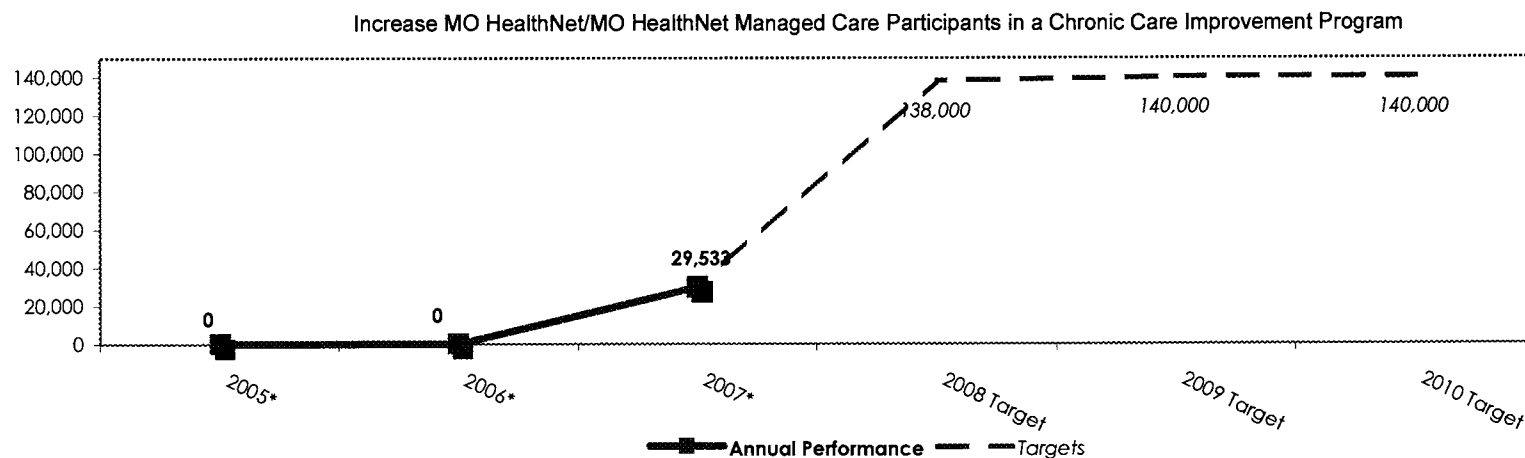
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Healthy Families Trust Fund-Health Care Account (0640) in FY 05 thru FY 07, Third Party Liability Fund (0120), Intergovernmental Transfer Fund (0139) only in FY 05, Healthy Families Trust Fund (0625) in FY 08, Premium (0885) in FY 07 and FY 08 and Life Science Research Trust Fund (0763) available in FY 07 and FY 08.

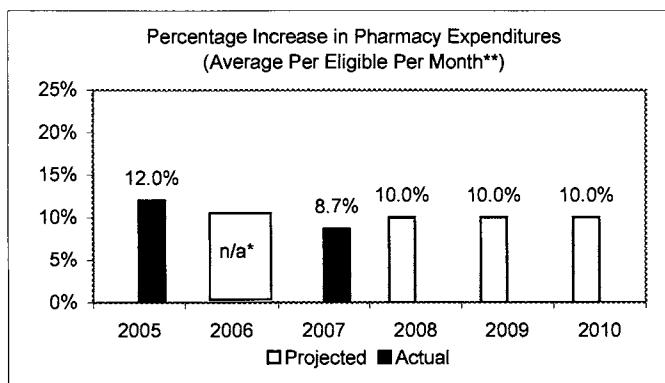
**7a. Provide an effectiveness measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.



**7b. Provide an efficiency measure.**



\*implementation of Part D

**7c. Provide the number of clients/individuals served, if applicable.**

**Eligibles:**

Pharmacy services are available to all MO HealthNet eligibles. In the regions of the state where MC+ managed care has been implemented, enrollees have pharmacy services available through the MC+ managed care health plans.

Average Monthly Pharmacy Users		
SFY	Actual	Projected
2005	291,081	
2006	243,447	
2007	198,540	188,900*
2008		214,400
2009		239,900
2010		265,400

\*Reduction in FY07 due to the MMA

Number of Pharmacy Claims		
SFY	Actual	Projected
2005	19.1 mil	18.8 mil
2006*	15.3 mil	16.2 mil
2007*	9.6 mil	10.4 mil
2008		11.4 mil
2009		12.4 mil
2010		13.4 mil

\*Reduction in FY07 due to the MMA

**7d. Provide a customer satisfaction measure, if available.**

**NEW DECISION ITEM  
RANK: 6**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Replace Life Science Trust Fund**

**Budget Unit: 90541C**  
**DI#: 1886002**

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	21,750,000			21,750,000
TRF				
<b>Total</b>	<b>21,750,000</b>			<b>21,750,000</b>
 FTE				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
<b>Total</b>				<b>0</b>
 FTE				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input checked="" type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: This funding is requested for the replacement of the Life Sciences Research Trust Fund core cut.*

The Life Sciences Research Trust Fund is being core cut from the Pharmacy Appropriation. This decision item seeks the GR replacement.

The Governor's recommendation maintains Life Sciences Research Trust Fund authority in the core.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The Life Science Research Trust Fund has been used as a source for General Revenue (GR) in the Pharmacy appropriation for the last couple of years. In FY 08, the amount of this fund in the Pharmacy appropriation was \$21,750,000. The Life Sciences Research Trust Fund is being core cut from the Pharmacy Appropriation. This decision item seeks the GR replacement so that the Pharmacy program is funded at the appropriate level.

	Total	GR	Federal
Pharmacy	\$21,750,000	\$21,750,000	\$0

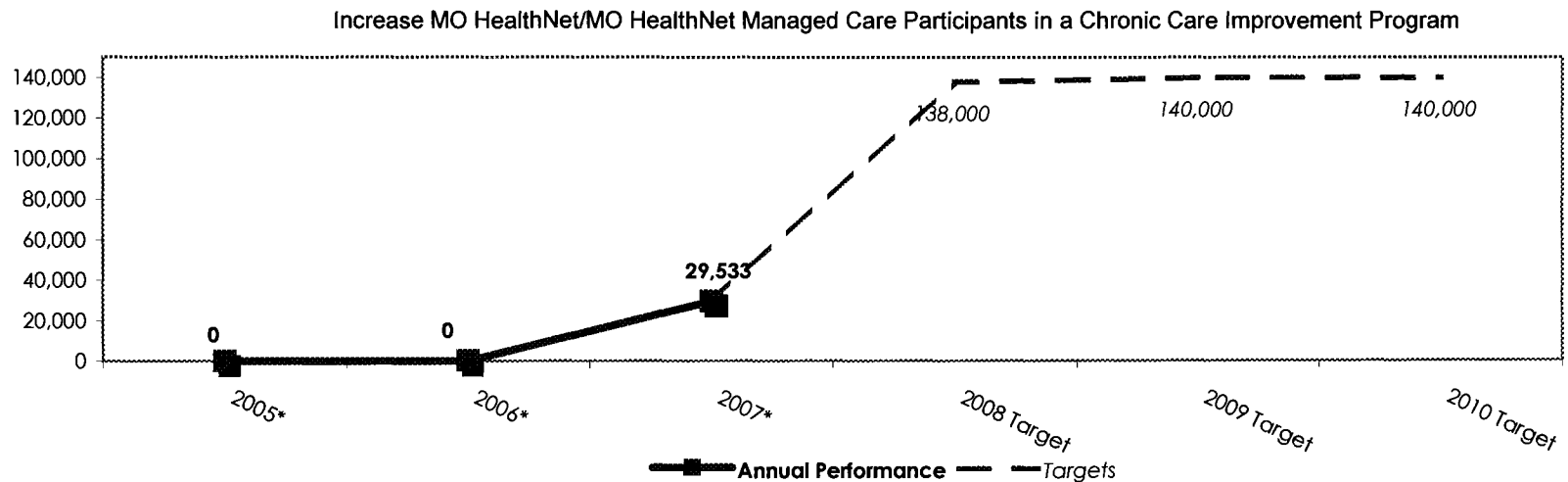
<b>5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.</b>									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	21,750,000						21,750,000		
Total PSD	21,750,000		0		0		21,750,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	21,750,000	0.0	0	0.0	0	0.0	21,750,000	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0						0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**6c.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

## **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

Continue statewide identification of participants with targeted disease states.

Continue outreach efforts through participant mailings and direct promotion by their current practitioners.

Dedicated help desk for participant support.

Identify providers currently serving the targeted population to invite them to participate in the Chronic Care Improvement Program.

Continue review, update and implementation of new maximum allowable costs for drug products.

Continue implementation of clinical edits, prior authorization and step therapy.

Continue the preferred drug list with accompanying supplemental rebates.

Continue diabetic supply contracts for cost containment.

Continue existing cost containment activities.

Continue implementation of third party liability cost avoidance on pharmacy claims.

Make personal visits with providers to explain the program and assist with enrollment paperwork.

Focus on clinical areas for improvement and provide clinical education where appropriate.

Reinforce clinical areas for improvement and provide clinical education where appropriate.

Dedicated help desk for provider support.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY</b>								
Replace Life Sciences Trust - 1886002								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	21,750,000	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	21,750,000	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$21,750,000</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$21,750,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00





# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY-MED PART D-CLAWBACK</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	174,536,233	0.00	196,269,134	0.00	196,269,134	0.00	192,269,134	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	1	0.00	1	0.00	1	0.00
TOTAL - PD	174,536,233	0.00	196,269,135	0.00	196,269,135	0.00	192,269,135	0.00
<b>TOTAL</b>	<b>174,536,233</b>	<b>0.00</b>	<b>196,269,135</b>	<b>0.00</b>	<b>196,269,135</b>	<b>0.00</b>	<b>192,269,135</b>	<b>0.00</b>
<b>Clawback Increase - 1886013</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	14,064,297	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	14,064,297	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>14,064,297</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$174,536,233</b>	<b>0.00</b>	<b>\$196,269,135</b>	<b>0.00</b>	<b>\$210,333,432</b>	<b>0.00</b>	<b>\$192,269,135</b>	<b>0.00</b>



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Pharmacy-Medicare Part D Clawback

Budget Unit: 90543C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request					FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	196,269,134	1		196,269,135	PSD	192,269,134	1		192,269,135
TRF					TRF				
Total	<u>196,269,134</u>	<u>1</u>		<u>196,269,135</u>	Total	<u>192,269,134</u>	<u>1</u>		<u>192,269,135</u>
FTE				0.00	FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

Other Funds:

Notes: An "E" is requested for the \$1 Federal Funds.

Notes: An "E" is requested for the \$1 Federal Funds.

## 2. CORE DESCRIPTION

This core request is for the continued funding of the Medicare Part D Clawback. Part of the Medicare Prescription Drug Act requires States to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the State absent the Part D drug benefit.

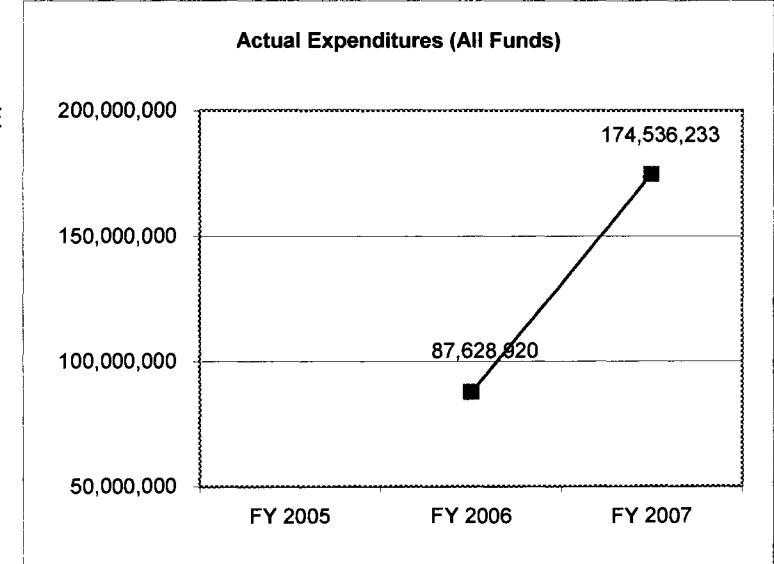
The Governor's recommendation includes a \$4.0 million reduction based on better FY2009 Clawback estimates.

## 3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy--Medicare Part D--Clawback

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	316,865,339	495,273,609	196,269,135 E
Less Reverted (All Funds)	0	(9,771,250)	0	N/A
Budget Authority (All Funds)	0	307,094,089	495,273,609	N/A
Actual Expenditures (All Funds)		87,628,920	174,536,233	N/A
Unexpended (All Funds)	0	219,465,169	320,737,376	N/A
Unexpended, by Fund:				
General Revenue		7,343	10,263,767	N/A
Federal		189,457,826	310,473,609	N/A
Other		30,000,000	0	N/A
		(1)	(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriation for Federal Funds for FY 06 and FY 08.

Program started January 2006.

(1) Agency reserve of \$189,457,826 in Federal Funds and \$30,000,000 in MO Rx Plan Fund.

(2) Agency reserve of \$310,473,609 in Federal Funds.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**PHARMACY-MED PART D-CLAWBACK**

**5. CORE RECONCILIATION DETAIL**

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>							
	PD	0.00	196,269,134	1	0	196,269,135	
	<b>Total</b>	<b>0.00</b>	<b>196,269,134</b>	<b>1</b>	<b>0</b>	<b>196,269,135</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	196,269,134	1	0	196,269,135	
	<b>Total</b>	<b>0.00</b>	<b>196,269,134</b>	<b>1</b>	<b>0</b>	<b>196,269,135</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>							
Core Reduction	2243 7238	PD	0.00	(4,000,000)	0	0	(4,000,000) Core Reduction in Part D Clawback
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(4,000,000)</b>	<b>0</b>	<b>0</b>	<b>(4,000,000)</b>
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	192,269,134	1	0	192,269,135	
	<b>Total</b>	<b>0.00</b>	<b>192,269,134</b>	<b>1</b>	<b>0</b>	<b>192,269,135</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM DISTRIBUTIONS	174,536,233	0.00	196,269,135	0.00	196,269,135	0.00	192,269,135	0.00
TOTAL - PD	174,536,233	0.00	196,269,135	0.00	196,269,135	0.00	192,269,135	0.00
GRAND TOTAL	\$174,536,233	0.00	\$196,269,135	0.00	\$196,269,135	0.00	\$192,269,135	0.00
GENERAL REVENUE	\$174,536,233	0.00	\$196,269,134	0.00	\$196,269,134	0.00	\$192,269,134	0.00
FEDERAL FUNDS	\$0	0.00	\$1	0.00	\$1	0.00	\$1	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Pharmacy--Medicare Part D Clawback

Program is found in the following core budget(s): Pharmacy--Medicare Part D Clawback

### 1. What does this program do?

*PROGRAM SYNOPSIS: Fund Medicare Part D "clawback" payments to the federal government.*

The Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 requires that all individuals who are eligible for both Medicare and MO HealthNet begin receiving their prescription drugs through the Medicare Part D program. This change will result in a significant shift in benefits for elderly and disabled dual eligible participants because they will receive their drugs through a prescription drug plan (PDP) rather than through the state MO HealthNet program.

Beginning in January 2006, states are required to make a monthly payment to the federal government to, in effect, re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet. The clawback will consist of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state MO HealthNet matching rate, (c) the number of dual eligibles residing in the state, and (d) a "phase-down percentage" of state savings to be returned to the federal government, beginning with 90 percent in 2006 and phasing down to 75 percent in 2015.

The federal government refers to this payment as the "Phased-down State Contribution", whereas the States more appropriately refer to the payment as the "Clawback". This clawback payment is, in effect, a funding source for the Medicare Part D program. In theory, it uses the General Revenue that the State would have paid for the MO HealthNet pharmacy benefit for funding the Part D program.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003

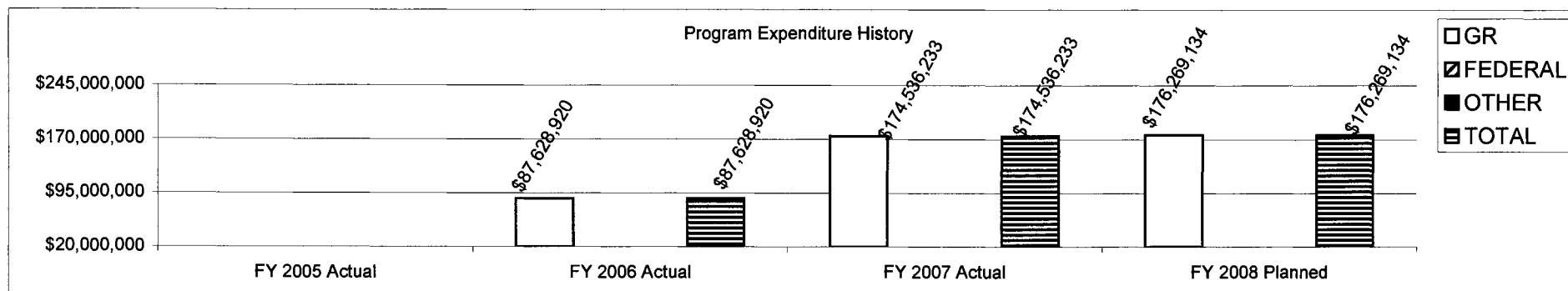
### 3. Are there federal matching requirements? If yes, please explain.

No.

### 4. Is this a federally mandated program? If yes, please explain.

Yes, the states are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



Program began January 2006.

**6. What are the sources of the "Other " funds?**

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

SFY	Dual Eligibles	
	Actual	Projected
2005	N/A	
2006	130,000	
2007	128,000	
2008		129,000
2009		133,200
2010		133,200

**7d. Provide a customer satisfaction measure, if available.**



**NEW DECISION ITEM  
RANK: 17**

Department: Social Services  
Division: MO HealthNet  
DI Name: Clawback Rate Increase

Budget Unit: 90543C  
DI#: 1886013

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	14,064,297			14,064,297
TRF				
<b>Total</b>	<b>14,064,297</b>			<b>14,064,297</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Fed	Other	Total
PS				
EE				
PSD				
TRF				
<b>Total</b>				<b>0</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
--------------------	---	---	---	---

*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: This funding is requested for the anticipated increase in dual eligibles and the anticipated increase in the Clawback assessment.*

This decision item requests funding for the increase in General Revenue needed for the payment of the Clawback, as calculated by the Centers for Medicare and Medicaid Services (CMS).

The Governor did not recommend this new decision item based on more recent Clawback estimates.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Calculation for the MO HealthNet Clawback payment is shown below. The PMPM was figured using a 9.5% inflation trend. The number of duals was calculated using a standard regression.

	Period July - Dec	Period Jan - June
Number of Duals	132,178	134,298
Monthly Clawback Assessment	\$125.54	\$137.47
	\$16,593,626	\$18,461,946
Number of Months	6	6
Subtotal	\$99,561,756	\$110,771,676
Total	210,333,432	
FY 08 Core	196,269,135	
Request (all General Revenue)	\$14,064,297	

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	14,064,297						14,064,297		
Total PSD	14,064,297		0		0		14,064,297		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	14,064,297	0.0	0	0.0	0	0.0	14,064,297	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.										
Budget Object Class/Job Class	Gov Rec DOLLARS	GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS	
Total PS		0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE		0		0		0		0		0
Program Distributions										
Total PSD		0		0		0		0		0
Transfers										
Total TRF		0		0		0		0		0
Grand Total		0	0.0	0	0.0	0	0.0	0	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	Dual Eligibles	
	Actual	Projected
2005	N/A	
2006	130,000	
2007	128,000	
2008		129,000
2009		133,200
2010		133,200

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHARMACY-MED PART D-CLAWBACK</b>								
Clawback Increase - 1886013								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	14,064,297	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	14,064,297	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$14,064,297</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$14,064,297	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00



# **FY09 Department of Social Services Report #9**

## **DECISION ITEM SUMMARY**

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MISSOURI RX PLAN</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
HEALTHY FAMILIES TRUST	0	0.00	13,820,394	0.00	13,820,394	0.00	13,820,394	0.00	
MISSOURI RX PLAN FUND	7,009,253	0.00	5,781,772	0.00	5,781,772	0.00	5,781,772	0.00	
TOTAL - PD	7,009,253	0.00	19,602,166	0.00	19,602,166	0.00	19,602,166	0.00	
<b>TOTAL</b>	<b>7,009,253</b>	<b>0.00</b>	<b>19,602,166</b>	<b>0.00</b>	<b>19,602,166</b>	<b>0.00</b>	<b>19,602,166</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$7,009,253</b>	<b>0.00</b>	<b>\$19,602,166</b>	<b>0.00</b>	<b>\$19,602,166</b>	<b>0.00</b>	<b>\$19,602,166</b>	<b>0.00</b>	





# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Missouri Rx Plan

Budget Unit: 90538C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				FY 2009 Governor's Recommendation			
GR	Federal	Other	Total	GR	Federal	Other	Total
PS				PS			
EE				EE			
PSD		19,602,166	19,602,166	PSD		19,602,166	19,602,166
TRF				TRF			
Total		19,602,166	19,602,166	Total		19,602,166	19,602,166
FTE			0.00	FTE			0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Missouri Rx Plan Fund (0779)  
Healthy Families Trust Fund (0625)

Notes: An "E" is requested for the Missouri Rx Plan Fund \$5,781,772

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Missouri Rx Plan Fund (0779)  
Healthy Families Trust Fund (0625)

Notes: An "E" is requested for the Missouri Rx Plan Fund \$5,781,772

## 2. CORE DESCRIPTION

The Missouri Rx Plan provides certain pharmaceutical benefits to certain low-income elderly and disabled residents of the state, facilitate coordination of benefits between the Missouri Rx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173 and enroll individuals in the program.

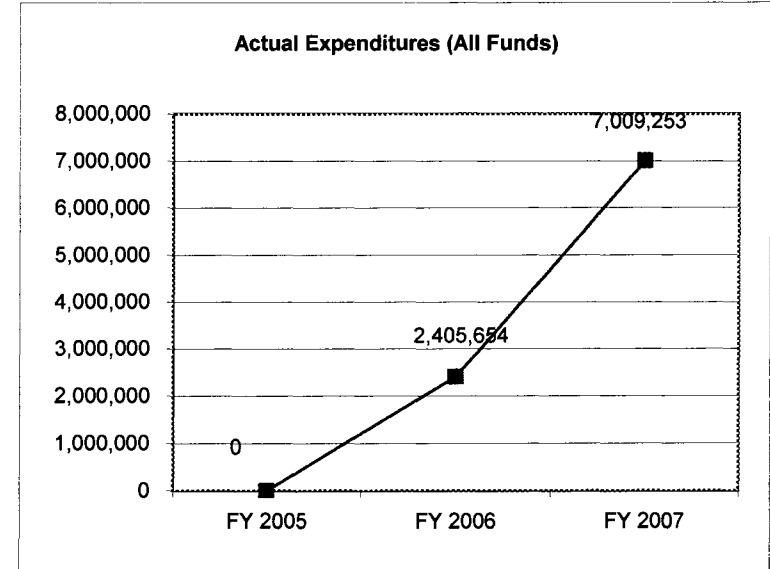
## 3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy services under MMA - Part D

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	2,405,660	19,602,166	19,602,166 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	2,405,660	19,602,166	N/A
Actual Expenditures (All Funds)	0	2,405,654	7,009,253	N/A
Unexpended (All Funds)	0	6	12,592,913	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	6	12,592,913	N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriation for Pharmacy Rebates Fund for FY 2006 thru FY 2008.

(1) Legislation (SB 539) allows for the transfer of any unexpended and unobligated funds of the Missouri Senior Rx Fund to the Missouri Rx Plan Fund in FY 06.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****MISSOURI RX PLAN**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<hr/>							
<b>TAFP AFTER VETOES</b>	PD	0.00	0	0	19,602,166	19,602,166	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>19,602,166</b>	<b>19,602,166</b>	
<hr/>							
<b>DEPARTMENT CORE REQUEST</b>	PD	0.00	0	0	19,602,166	19,602,166	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>19,602,166</b>	<b>19,602,166</b>	
<hr/>							
<b>GOVERNOR'S RECOMMENDED CORE</b>	PD	0.00	0	0	19,602,166	19,602,166	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>19,602,166</b>	<b>19,602,166</b>	
<hr/>							

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MISSOURI RX PLAN</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	7,009,253	0.00	19,602,166	0.00	19,602,166	0.00	19,602,166	0.00
TOTAL - PD	7,009,253	0.00	19,602,166	0.00	19,602,166	0.00	19,602,166	0.00
<b>GRAND TOTAL</b>	<b>\$7,009,253</b>	<b>0.00</b>	<b>\$19,602,166</b>	<b>0.00</b>	<b>\$19,602,166</b>	<b>0.00</b>	<b>\$19,602,166</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$7,009,253	0.00	\$19,602,166	0.00	\$19,602,166	0.00	\$19,602,166	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Missouri Rx Plan

Program is found in the following core budget(s): Missouri Rx Plan

### 1. What does this program do?

*PROGRAM SYNOPSIS: Pharmacy benefit program for Medicare/Medicaid dual eligibles and certain elderly and disabled below 200% of Federal Poverty Level (FPL), which provides a wrap around benefit for those enrolled in Medicare's (Part D) prescription drug program.*

S.B. 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx Plan. The purpose of this program is to coordinate pharmaceutical benefits between the Missouri Rx plan and the federal Medicare Part D drug program for Medicare/Medicaid dual eligibles and other elderly and disabled Missourians below 200% of FPL. The Missouri Rx plan pays for 50% of members' out of pocket costs remaining after their Medicare Prescription Drug Plan pays. Missouri Rx pays for 50% of the deductible, 50% of the co-pays before the coverage gap, 50% of the coverage gap, and 50% of the co-pays in the catastrophic coverage.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State: RSMo. 208.780 through 208.798; Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

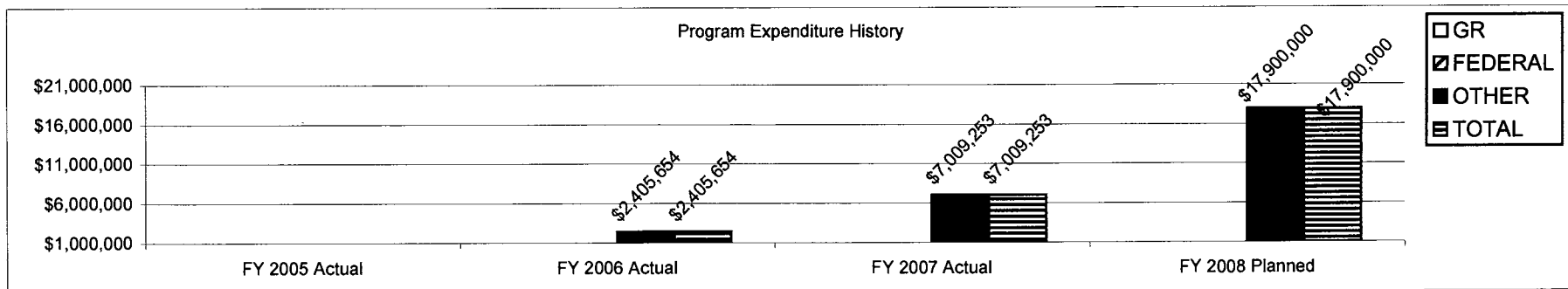
### 3. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New program Jan. 2006.

**6. What are the sources of the "Other " funds?**

Missouri Rx Plan Fund (1024) and Healthy Families Trust Fund (0625) available in FY 08.

**7a. Provide an effectiveness measure.****7b. Provide an efficiency measure.****7c. Provide the number of clients/individuals served, if applicable.**

In FY2007, the Missouri Rx Program was expanded to include individuals enrolled in a Medicare Part D Prescription Drug Program. In FY2007, the program was expanded to include individuals enrolled in a Medicare Part D Prescription Drug Program who are below 200% of Federal Poverty Level (FPL), including full and partial duals. Approximately 200 non-duals and 1000 partial and full duals are added to the program each month.

Average Monthly MoRx Users		
SFY	Actual	Projected
2005	n/a	
2006	155,000	
2007	172,000	
2008		186,400
2009		200,800
2010		215,200

Number of MoRx Claims		
SFY	Actual	Projected
2005	n/a	
2006	1.54 mil*	
2007	4.40 mil	
2008		6.35 mil
2009		6.83 mil
2010		7.32 mil

\* New program in January 2006

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
<b>CORE</b>								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	2,600,559	0.00	954,599	0.00	2,700,000	0.00	2,700,000	0.00
TITLE XIX-FEDERAL AND OTHER	2,587,322	0.00	1,050,000	0.00	2,800,000	0.00	2,800,000	0.00
TOTAL - EE	5,187,881	0.00	2,004,599	0.00	5,500,000	0.00	5,500,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	148,361,005	0.00	169,172,863	0.00	159,326,370	0.00	159,050,890	0.00
TITLE XIX-FEDERAL AND OTHER	261,942,367	0.00	305,390,113	0.00	295,968,190	0.00	295,968,190	0.00
THIRD PARTY LIABILITY COLLECT	1,906,107	0.00	1,906,107	0.00	1,906,107	0.00	1,906,107	0.00
HEALTH INITIATIVES	1,210,118	0.00	1,247,544	0.00	1,247,544	0.00	1,247,544	0.00
HEALTHY FAMILIES TRUST	0	0.00	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00
HFT-HEALTH CARE ACCT	1,041,034	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	414,460,631	0.00	478,757,661	0.00	459,489,245	0.00	459,213,765	0.00
<b>TOTAL</b>	<b>419,648,512</b>	<b>0.00</b>	<b>480,762,260</b>	<b>0.00</b>	<b>464,989,245</b>	<b>0.00</b>	<b>464,713,765</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	787,688	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,337,754	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,125,442	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,125,442</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	115,352	0.00	115,174	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	329,334	0.00	329,512	0.00
TOTAL - PD	0	0.00	0	0.00	444,686	0.00	444,686	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>444,686</b>	<b>0.00</b>	<b>444,686</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item		FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009
Budget Object Summary		ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC
Fund		DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	GOV REC
								FTE
<b>PHYSICIANS</b>								
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER		0	0.00	0	0.00	3,583,751	0.00	3,859,231
TOTAL - PD		0	0.00	0	0.00	3,583,751	0.00	3,859,231
TOTAL		0	0.00	0	0.00	3,583,751	0.00	3,859,231
<b>Physicians Services Rate Incr - 1886034</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE		0	0.00	0	0.00	0	0.00	9,834,451
TITLE XIX-FEDERAL AND OTHER		0	0.00	0	0.00	0	0.00	16,745,147
TOTAL - PD		0	0.00	0	0.00	0	0.00	26,579,598
TOTAL		0	0.00	0	0.00	0	0.00	26,579,598
<b>Tobacco Cessation Pharmacy - 1886038</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER		0	0.00	0	0.00	0	0.00	2,393,685
HEALTHY FAMILIES TRUST		0	0.00	0	0.00	0	0.00	1,405,815
TOTAL - PD		0	0.00	0	0.00	0	0.00	3,799,500
TOTAL		0	0.00	0	0.00	0	0.00	3,799,500
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE		0	0.00	0	0.00	0	0.00	38,508
TITLE XIX-FEDERAL AND OTHER		0	0.00	0	0.00	0	0.00	65,569
TOTAL - PD		0	0.00	0	0.00	0	0.00	104,077
TOTAL		0	0.00	0	0.00	0	0.00	104,077
<b>GRAND TOTAL</b>		<b>\$419,648,512</b>	<b>0.00</b>	<b>\$480,762,260</b>	<b>0.00</b>	<b>\$471,143,124</b>	<b>0.00</b>	<b>\$499,500,857</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Physicians

Budget Unit: 90544C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	2,700,000	2,800,000		5,500,000
PSD	159,326,370	295,968,190	4,194,685	459,489,245
TRF				
Total	162,026,370	298,768,190	4,194,685	464,989,245
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Third Party Liability Collections Fund (TPL) (0120)  
Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	2,700,000	2,800,000		5,500,000
PSD	159,050,890	295,968,190	4,194,685	459,213,765
TRF				
Total	161,750,890	298,768,190	4,194,685	464,713,765
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Third Party Liability Collections Fund (TPL) (0120)  
Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)

## 2. CORE DESCRIPTION

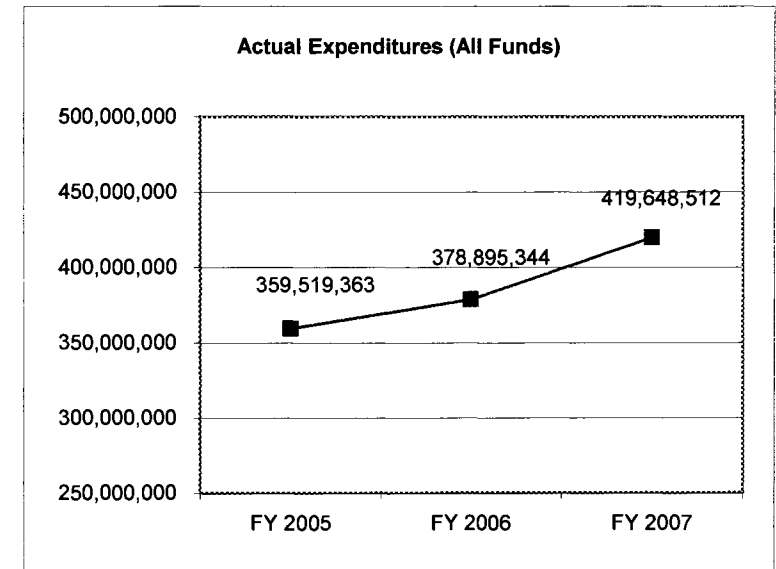
This core request is for the ongoing funding for payments for physician-related services.

## 3. PROGRAM LISTING (list programs included in this core funding)

Physician-Related Services

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	361,200,768	378,932,890	421,283,001	480,762,260
Less Reverted (All Funds)	(37,426)	(37,426)	(1,488,807)	N/A
Budget Authority (All Funds)	361,163,342	378,895,464	419,794,194	N/A
Actual Expenditures (All Funds)	359,519,363	378,895,344	419,648,512	N/A
Unexpended (All Funds)	1,643,979	120	145,682	N/A
Unexpended, by Fund:				
General Revenue	2,109	46	62	N/A
Federal	1,870	74	145,620	N/A
Other	1,640,000	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Agency reserve of \$1,640,000 in TPL funds. Expenditures of \$66,614,598 were paid from the Supplemental Pool.

(2) Expenditures of \$27,623,367 were paid from the Supplemental Pool and \$19,091,264 paid from Managed Care.

(3) Expenditures of \$139,636 were paid from the Supplemental Pool and \$4,648,089 paid from Managed Care.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
PHYSICIANS**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				EE	0.00	954,599	1,050,000	0	2,004,599	
				PD	0.00	169,172,863	305,390,113	4,194,685	478,757,661	
				<b>Total</b>	<b>0.00</b>	<b>170,127,462</b>	<b>306,440,113</b>	<b>4,194,685</b>	<b>480,762,260</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	872	8196	PD	0.00		(3,583,751)	0	0	(3,583,751)	FMAP Adjustment
Core Reallocation	537	8196	EE	0.00		1,745,401	0	0	1,745,401	
Core Reallocation	537	8197	EE	0.00		0	1,750,000	0	1,750,000	
Core Reallocation	537	8196	PD	0.00		(1,745,401)	0	0	(1,745,401)	
Core Reallocation	537	8197	PD	0.00		0	(1,750,000)	0	(1,750,000)	
Core Reallocation	957	8197	PD	0.00		0	(7,671,923)	0	(7,671,923)	Transfer Health Risk Appraisal Core funding to MO HealthNet Participant Case Management
Core Reallocation	957	8196	PD	0.00		(4,517,341)	0	0	(4,517,341)	Transfer Health Risk Appraisal Core funding to MO HealthNet Participant Case Management
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(8,101,092)</b>	<b>(7,671,923)</b>	<b>0</b>	<b>(15,773,015)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	2,700,000	2,800,000	0	5,500,000	
				PD	0.00	159,326,370	295,968,190	4,194,685	459,489,245	
				<b>Total</b>	<b>0.00</b>	<b>162,026,370</b>	<b>298,768,190</b>	<b>4,194,685</b>	<b>464,989,245</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	872	8196	PD	0.00		(275,480)	0	0	(275,480)	FMAP Adjustment
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(275,480)</b>	<b>0</b>	<b>0</b>	<b>(275,480)</b>	

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CORE RECONCILIATION DETAIL

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DEPARTMENT OF SOCIAL SERVICES

PHYSICIANS

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5. CORE RECONCILIATION DETAIL

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	Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	2,700,000	2,800,000	0	5,500,000	
	PD	0.00	159,050,890	295,968,190	4,194,685	459,213,765	
	<b>Total</b>	<b>0.00</b>	<b>161,750,890</b>	<b>298,768,190</b>	<b>4,194,685</b>	<b>464,713,765</b>	

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# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PHYSICIANS</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	5,187,881	0.00	2,004,599	0.00	5,500,000	0.00	5,500,000	0.00
TOTAL - EE	5,187,881	0.00	2,004,599	0.00	5,500,000	0.00	5,500,000	0.00
PROGRAM DISTRIBUTIONS	414,460,631	0.00	478,757,661	0.00	459,489,245	0.00	459,213,765	0.00
TOTAL - PD	414,460,631	0.00	478,757,661	0.00	459,489,245	0.00	459,213,765	0.00
<b>GRAND TOTAL</b>	<b>\$419,648,512</b>	<b>0.00</b>	<b>\$480,762,260</b>	<b>0.00</b>	<b>\$464,989,245</b>	<b>0.00</b>	<b>\$464,713,765</b>	<b>0.00</b>
GENERAL REVENUE	\$150,961,564	0.00	\$170,127,462	0.00	\$162,026,370	0.00	\$161,750,890	0.00
FEDERAL FUNDS	\$264,529,689	0.00	\$306,440,113	0.00	\$298,768,190	0.00	\$298,768,190	0.00
OTHER FUNDS	\$4,157,259	0.00	\$4,194,685	0.00	\$4,194,685	0.00	\$4,194,685	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Physicians**

**Program is found in the following core budget(s): Physicians**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Payment for services provided to fee for service MO HealthNet/MC+ participants for physicians/psychologists, clinics, lab & x-ray, nurse midwife, podiatry, certified registered nurse anesthetist, anesthesiologist assistant, independent diagnostic testing facility, rural health clinic, nurse practitioner and federally qualified health centers.*

A general description of each of the MO HealthNet provider groups included in the Physician section follows:

**Physician** - Proper health care is essential to the general health and well-being of Title XIX participants. Physicians, Doctors of Medicine (M.D.'s) and Doctors of Osteopathy (D.O.'s), are typically the front line providers where MO HealthNet participants enter the state's health care system. They provide a myriad of health care services and tie the various parts of the health care system together.

Physician services are those diagnostic, therapeutic, rehabilitative or palliative procedures provided by, and under the supervision of, a licensed physician who is practicing within the scope of practice allowed and is enrolled in the MO HealthNet program.

Physicians enrolled in the MO HealthNet program are identified in regards to the specialty of medicine they practice. Specialties include allergy immunology, anesthesiology, dermatology, emergency medicine, family practice, general practice, general surgery, internal medicine, laryngology, nuclear medicine, neurological surgery, obstetrics/gynecology, ophthalmology, otology, otolaryngology, orthopedic surgery, pathology, pediatrics, physical medicine and rehabilitation, plastic surgery, preventive medicine, proctology, psychiatry, neurology, radiation therapy, radiology, rectal and colon surgery, rehabilitative medicine, rhinology, thoracic surgery, urology and cardiology.

The Early Periodic Screening Diagnosis Treatment /Healthy Children and Youth (EPSDT/HCY) program provides services to non-MC+ managed care eligibles who are infant, children, and youth under the age of 21 years with a primary and preventive care focus. Full, partial and interperiodic health screenings, medical and dental examinations, immunizations and medically necessary treatment services are covered. The goal of the MO HealthNet program is for each child to be healthy. This is achieved by the primary care provider who manages a coordinated, comprehensive, continuous health care program to address the child's primary health care needs. The purpose of the EPSDT/HCY program is to insure a comprehensive, preventive health care program for MO HealthNet eligible children who are under the age of 21 years. The program provides early and periodic medical/dental screening, diagnosis, and treatment to correct or improve defects and chronic conditions found during the screening.

An EPSDT/HCY screening consists of a health and developmental history, unclothed physical examination, developmental assessment, immunization status including any needed immunizations, nutritional status, vision testing, hearing testing, laboratory procedures, dental status, anticipatory guidance, lead level screens (0-6 years), and referrals for follow-up care or evaluation of any abnormality detected. The full screen may be provided by a MO HealthNet participating: 1) physician or nurse practitioner including nurse midwives under their scope of practice or; 2) clinic or screening provider when the provider of the unclothed physical component of the screen is a physician or nurse practitioner. The periodicity schedule for EPSDT/HCY screening services is as follows:

Newborn (2-3 days); By one month; 2-3 months; 4-5 months; 6-8 months; 9-11 months; 12-14 months; 15-17 months; 18-23 months; 24 months; 3 years; 4 years; 5 years; 6-7 years; 8-9 years; 10-11 years; 12-13 years; 14-15 years; 16-17 years; 18-19 years; 20 years.



The services of a physician may be administered in a myriad of settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Services rendered by a physician, including appropriate supplies, are billable by the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision such as nurses, non-physician anesthetists, technicians, therapists and other aides.

The majority of services provided by a physician are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure/claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures, such as organ transplants, are available only on a prior approval basis.

Psychotherapy is psychology services provided by psychologists for adults who receive services through the fee for service program.

Clinic - Clinics offer preventive, diagnostic, therapeutic, rehabilitative or palliative services that are furnished by a facility that is not part of a hospital but is organized and operated to provide medical care to outpatients. Services furnished to outpatients include those furnished at the clinic by, or under the direction of, a physician and those services furnished outside the clinic by clinic personnel under the direction of a physician.

Health care givers at a clinic can include physicians, nurse practitioners, radiologists and other health professionals whose services are offered at the clinic.

MO HealthNet reimbursement is made solely to the clinic. All health care professionals are employed by the clinic. Each provider of health care services through the clinic, in addition to being employed by the participating clinic, must be a MO HealthNet provider.

Lab & X-Ray - These providers are of two kinds-laboratory facilities and x-ray facilities. Laboratories perform examinations of body fluids, tissues or organs by the use of various methods employing specialized equipment such as electron microscopes and radio-immunoassay. A clinical laboratory is a laboratory where microbiological, serological, chemical, hematological, radio bioassay, cytological, immunohematological or pathological examinations are performed on material derived from the human body to provide information for the diagnosis, prevention or treatment of a disease or assessment of a medical condition. Typically the operations of a laboratory are directed by a pathologist.

X-ray facilities offer radiological services in which x-rays or rays from radioactive substances are used for diagnostic or therapeutic purposes. Such services include, but are not limited to radium therapy, the use of radioisotopes for diagnostic or therapeutic purposes (as in nuclear medicine) and diagnostic tests such as aortograms, pyelograms, myelograms, arteriograms and ventriculograms, and imaging services, x-rays, nuclear medicine and diagnostic ultra-sounds. Typically the operations of an x-ray facility are directed by a radiologist.

Both laboratories and x-ray clinics are reimbursed on a fee schedule basis.

Nurse Midwife - Nurse Midwife services are those services related to the management and provision of care to a pregnant woman and her unborn/newborn infant by a non-physician. These services may be provided throughout the maternity cycle which includes pregnancy, labor and delivery and the initial postpartum period not to exceed six weeks. Covered services include antepartum care, delivery, post-partum care, newborn care, office visits, laboratory services and other services within the scope of practice of a nurse midwife. If there is any indication the maternity care is not for a normal uncomplicated delivery, the nurse midwife must refer the case to a physician.

Nurse midwives may also provide care outside of the maternity cycle such as family planning, counseling, birth control techniques and well-woman gynecological care including routine pap smears and breast examinations (Section 13605, OBRA 93). Nurse midwife services may also include services to the newborn, age 0 through 2 months and any other MO HealthNet eligible female, age 15 and over.

Services furnished by a nurse midwife must be within the scope of practice authorized by federal and state laws or regulations and, in the case of inpatient or outpatient hospital services or clinic services, furnished by or under the direction of a nurse midwife only to the extent permitted by the facility.

In order to qualify for participation in the MO HealthNet Nurse Midwife program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) in the state of Missouri and be currently certified as a Nurse Midwife by the American College of Nurse Midwives.

The services of a nurse midwife may be administered in a variety of settings including the providers' office, a hospital (inpatient or outpatient), the home of the participant (delivery and newborn care only) or a birthing center. Reimbursement for nurse midwife services made on a fee-for-service basis are determined as follows: the MO HealthNet maximum allowable fee for any particular procedure has been determined by the MO HealthNet Division to be a reasonable fee, consistent with efficiency, economy and quality of care. MO HealthNet payment for covered services are the lower of the provider's actual billed charge, based on his/her usual and customary charge to the general public for the service, or the MO HealthNet maximum allowable amount per unit of service. The level of reimbursement to the Nurse Midwife is the same as that reimbursed to a physician for the same procedure.

Podiatry - Podiatrists provide medical, surgical and mechanical services for the foot or any area not above the ankle joint and receive MO HealthNet reimbursement for diagnostic, therapeutic, rehabilitative and palliative services which are within the scope of practice the podiatrist is authorized to perform. Most services provided by a podiatrist are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure/claim is priced individually by a medical consultant based on the unique circumstances of the case.

The following podiatry services are not covered for adults (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents): trimming of nondystrophic nails, any number; debridement of nail(s) by any method(s) one to five; debridement of nail(s) by any method(s) six or more; excision of nail and nail matrix, partial or complete; and strapping of ankle and /or foot.

The services of a podiatrist may be administered in a myriad of settings including the podiatrist's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Certified Registered Nurse Anesthetist (CRNA) - CRNA services are those services related to the introduction and management of a substance into the body by external or internal means that causes loss of sensation (feeling) with or without loss of consciousness. In order to qualify for participation in the MO HealthNet Certified Registered Nurse Anesthetist program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN), or nurse practitioner, in the state of Missouri and be currently certified as a CRNA by the Council on Certification of Nurse Anesthetists.

Reimbursement for CRNA services are made on a fee-for-service basis. The services of a CRNA may be administered in a variety of settings including the providers' office, a hospital, nursing home or clinic and include the same scope of practice as that of an anesthesiologist. Typically, CRNAs are employed by physicians (anesthesiologists), but are not required to be.

Anesthesiologist Assistants (AA) - Effective February 1, 2007, MO HealthNet began allowing AA to enroll as MO HealthNet providers. An AA is a person who works under the supervision of a licensed anesthesiologist and provides anesthesia services and related care. An AA shall practice only under the direct supervision of an anesthesiologist who is physically present or immediately available. A supervising anesthesiologist shall be allowed to supervise up to four AAs concurrently consistent with 42 CFR 415.110. The name and mailing address of the supervising anesthesiologist must be submitted by an AA. An AA must be licensed by the Missouri Board of Healing Arts as set forth in 4 CSR 150.9 and submit a copy to the MO HealthNet Division. An AA must practice within their scope of practice referenced in Section 334.402 of the Missouri Revised Statutes.

Reimbursement for AA services are made on a fee-for-service basis. An AA and a Certified Registered Nurse Anesthetist (CRNA) are not allowed to bill for the same anesthesia service.

Independent Diagnostic Testing Facility (IDTF) - These providers are independent of a hospital or a physician's office and offer medically necessary diagnostic tests. The IDTF may be a fixed location or a mobile entity. An IDTF must have one or more supervising physicians who are responsible for the direct and ongoing oversight of the quality of the testing performed, the proper operation and calibration of the equipment used to perform tests, and the qualification of non-physician personnel who use the equipment.

Rural Health Clinic (RHC) - The Rural Health Clinic Services Act of 1977 designated a new health care provider, Rural Health Clinics. The Act became effective for MO HealthNet reimbursement on July 1, 1978. The Rural Health Clinic Services Act of 1977 extended benefits to cover health care services to under-served rural areas where access to traditional physician care has been difficult. In those areas, specifically trained practitioners furnish the health care services needed by the community.

Rural Health Clinics must be located in a rural area that is designated a shortage area for primary care. To be eligible for this designation, a clinic must be located in an area not identified as "urbanized" by the Bureau of the Census and designated as a shortage or under-served area in one of the following ways:

- An area with a shortage of personal health services under Section 30(b)(3) or 330(b)(3) of the Public Health Service Act (PHS);
- As a Health Professional Shortage Area (HPSA) designated under Section 332(a)(1)(A) of the PHS Act;
- An area which includes a population group designated as having a health professional shortage under Section 332(a)(1)(B) of the PHS Act;
- An area designated by the chief executive officer (Governor) of the State and certified by the Secretary of Health and Human Services as an area with a shortage of personal health services.

In addition to the above criteria, RHC's must meet the additional staffing and health and safety requirements set forth by the Rural Health Clinic Services Act. To be a MO HealthNet RHC, a clinic must be certified by the Public Health Service, be certified for participation in Medicare, and be enrolled as a MO HealthNet provider. The RHC is then designated as either independent or provider-based.

In order to be designated provider-based, an RHC must be an integral and subordinate part of a hospital, skilled nursing facility or home health agency. The provider-based RHC must also be under common licensure, governance and professional supervision with its parent provider. Hospital-based RHC's are reimbursed the lower of 100% of their usual and customary charges or their cost-to-charge ratio. The skilled nursing facility and home health agency based RHC's are reimbursed their usual and customary charges multiplied by the lower of the Medicare RHC rate or the rate approved by the MO HealthNet Division.

An independent RHC has no financial, organizational or administrative connection to a hospital, skilled nursing facility or home health agency. They are reimbursed the lesser of their reasonable costs divided by total encounter or the Medicare upper payment limit and multiplied by the number of MO HealthNet encounters. An annual audit of the Medicare cost report is reviewed by the Institutional Reimbursement Unit (IRU) within the MO HealthNet Division.

Nurse Practitioner - A nurse practitioner, or advanced practice nurse, is one who has had education beyond the basic nursing education and is certified by a nationally recognized professional organization as having a nursing specialty, or who meets criteria for advanced practice nurses established by the Missouri Board of Nursing. The Board of Nursing may promulgate rules specifying which professional nursing organization certifications are to be recognized as advanced practice nurses and may set standards for education, training and experience required for those without such specialty certification to become advanced practice nurses.

Numerous specialties are recognizable such as family nurse practitioner (NP), gerontology NP, clinical NP, obstetrics/GYN NP, neonatal NP and certified registered nurse anesthetists. Reimbursement for nurse practitioner services are made on a fee-for-service basis. The level of reimbursement to the nurse practitioner is the same as that reimbursed to a physician for the same procedure. Nurse practitioners, or advanced practical nurses may prescribe medications only through a collaborative agreement with a physician.

Nurse practitioner services involve the performance for compensation of any act which requires substantial specialized education, judgment, and skill based on knowledge and application of principles derived from the biological, physical, social and nursing sciences, including: a) responsibility for the teaching of health care and the prevention of illness to the patient and his family; b) assessment, nursing diagnosis, nursing care, and counsel of persons who are ill, injured or experiencing alterations in normal health processes; c) administration of medications and treatments as prescribed by a person licensed in this state to prescribe such medications and treatments; and d) coordination and assistance in the delivery of a plan of health care with all members of the health team.

The services of a nurse practitioner may be administered in a variety of settings including the providers' office, a hospital, nursing home or clinic. Typically, nurse practitioners are employed by physicians, but are not required to be.

Federally Qualified Health Clinic (FQHC) - The Federally Qualified Health Center (FQHC) program was established by the Omnibus Budget Reconciliation Acts of 1989 (OBRA 89) and 1990 (OBRA 90). These laws designated certain community-based health care organizations as unique health care providers called Federally Qualified Health Centers. These laws establish a set of FQHC health care services that MO HealthNet and Medicare must cover for those beneficiaries who receive services from the FQHC and require the reimbursement of reasonable cost to the FQHC for such services.

By passing the FQHC legislation, Congress recognized two goals of the FQHC program:

- ♦ To provide adequate reimbursement to community-based primary health care organizations (FQHCs) so that they, in turn, may better serve large numbers of MO HealthNet participants and/or provide more services, thus improving access to primary care.
- ♦ To enable FQHCs to use other resources previously subsidizing MO HealthNet to serve uninsured individuals who, although not eligible for MO HealthNet, have a difficult time obtaining primary care because of economic or geographic barriers.

In order to qualify for FQHC status, a facility must receive or be eligible for a grant under Section 329, 330 or 340 of the Public Health Service Act, meet the requirements for receiving such a grant, or have been a Federally Funded Health Center as of January 1, 1990.

FQHC services are reimbursed on the interim at 97% of billed MO HealthNet FQHC covered charges. An annual audit of the MO HealthNet cost report is performed by the Institutional Reimbursement Unit (IRU) to determine reasonable costs. A settlement is made to adjust the reimbursement to 100% of the reasonable costs to provide MO HealthNet FQHC covered services.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.153, 208.166; Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d);  
Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

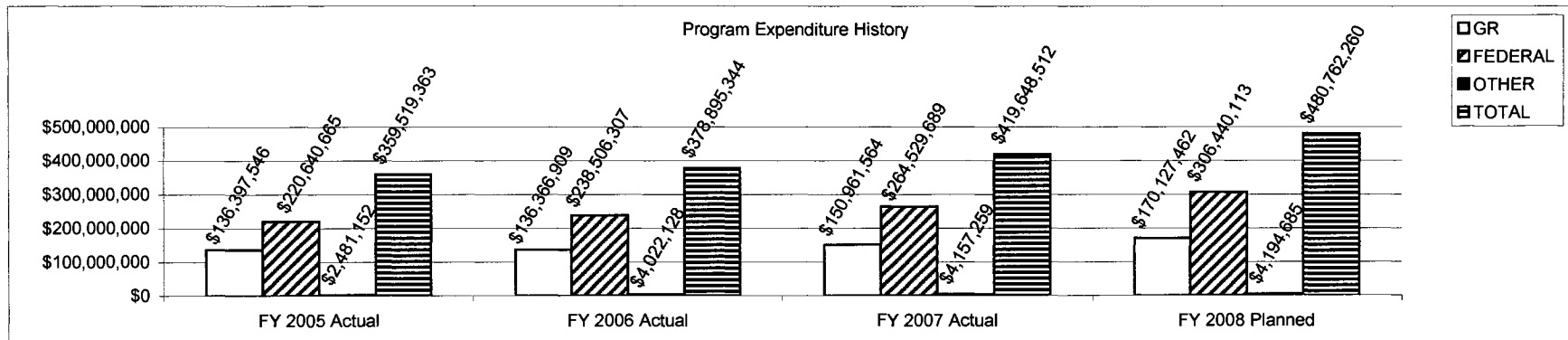
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, if the state elects to have a Medicaid program. (Some services are optional: podiatry, clinics, nurse practitioners and certified nurse anesthetist.)

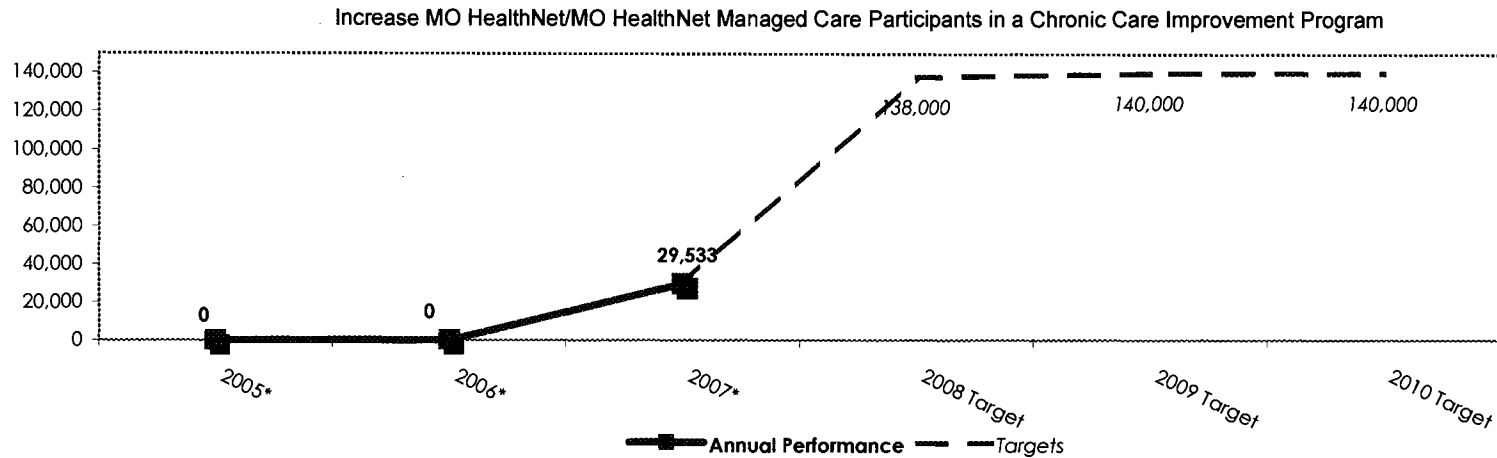
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Third Party Liability Collections Fund (0120), Health Initiatives Fund (0275), Healthy Families Trust Fund-Health Care Account (0640) in FY 05 thru FY 07 and Healthy Families Trust Fund (0625) available in FY 08.

**7a. Provide an effectiveness measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

Physician services are available to fee for service MO HealthNet/MC+ eligibles. In the regions of the state where MC+ managed care has been implemented, enrollees have physician services available through the MC+ managed care health plan.

Average Monthly Physician Users		
SFY	Actual	Projected
2005	232,693	228,424
2006	219,015	233,020
2007	207,071	229,966
2008		223,599
2009		229,053
2010		229,092

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	2,581,993	0.00	2,891,464	0.00	2,831,223	0.00	2,825,149	0.00
TITLE XIX-FEDERAL AND OTHER	5,664,920	0.00	6,351,982	0.00	6,351,982	0.00	6,351,982	0.00
HEALTH INITIATIVES	69,027	0.00	71,162	0.00	71,162	0.00	71,162	0.00
HEALTHY FAMILIES TRUST	0	0.00	848,773	0.00	848,773	0.00	848,773	0.00
HFT-HEALTH CARE ACCT	848,773	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	9,164,713	0.00	10,163,381	0.00	10,103,140	0.00	10,097,066	0.00
<b>TOTAL</b>	<b>9,164,713</b>	<b>0.00</b>	<b>10,163,381</b>	<b>0.00</b>	<b>10,103,140</b>	<b>0.00</b>	<b>10,097,066</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	13,447	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	22,837	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	36,284	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>36,284</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	98	0.00	98	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	279	0.00	279	0.00
TOTAL - PD	0	0.00	0	0.00	377	0.00	377	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>377</b>	<b>0.00</b>	<b>377</b>	<b>0.00</b>
<b>CtoC SB 577 Adult Dental/Optom - 1886029</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	6,102,508	0.00	6,092,628	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	10,364,054	0.00	10,373,934	0.00
TOTAL - PD	0	0.00	0	0.00	16,466,562	0.00	16,466,562	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>16,466,562</b>	<b>0.00</b>	<b>16,466,562</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DENTAL</b>								
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	60,241	0.00	66,315	0.00
TOTAL - PD	0	0.00	0	0.00	60,241	0.00	66,315	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>60,241</b>	<b>0.00</b>	<b>66,315</b>	<b>0.00</b>
<b>Physicians Services Rate Incr - 1886034</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	139,725	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	237,909	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	377,634	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>377,634</b>	<b>0.00</b>
<b>Dental Rate Increase - 1886035</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,020,388	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,737,418	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,757,806	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,757,806</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$9,164,713</b>	<b>0.00</b>	<b>\$10,163,381</b>	<b>0.00</b>	<b>\$26,666,604</b>	<b>0.00</b>	<b>\$29,765,760</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Dental

Budget Unit: 90546C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	2,831,223	6,351,982	919,935	10,103,140
TRF				
Total	<b>2,831,223</b>	<b>6,351,982</b>	<b>919,935</b>	<b>10,103,140</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	2,825,149	6,351,982	919,935	10,097,066
TRF				
Total	<b>2,825,149</b>	<b>6,351,982</b>	<b>919,935</b>	<b>10,097,066</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)  
Healthy Families Trust Fund (0625)

## 2. CORE DESCRIPTION

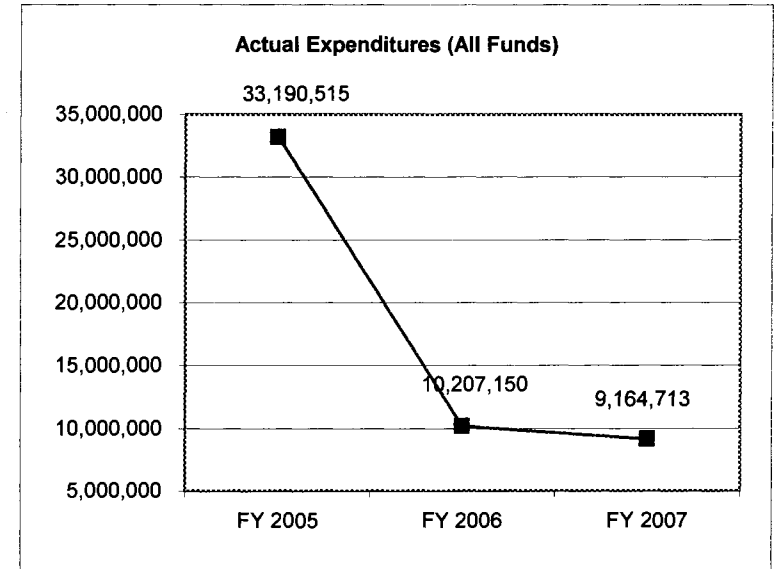
This core request is for the continued funding of the dental fee-for-service program. Funding provides dental services for children, pregnant women, the blind, and nursing facility residents in the defined non-managed care MO HealthNet population.

## 3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	33,192,650	10,209,285	9,362,981	10,163,381
Less Reverted (All Funds)	(2,135)	(2,135)	(198,268)	N/A
Budget Authority (All Funds)	33,190,515	10,207,150	9,164,713	N/A
Actual Expenditures (All Funds)	33,190,515	10,207,150	9,164,713	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

- (1) Expenditures of \$5,246,342 were paid from the Supplemental Pool.
- (2) SB 539 eliminated adult dental services. Expenditures of \$13,229,886 were paid from the Supplemental Pool.
- (3) Expenditures of \$1,149,629 were paid from the Supplemental Pool and \$3,088,772 from Managed Care.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES

### DENTAL

### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				PD	0.00	2,891,464	6,351,982	919,935	10,163,381	
				<b>Total</b>	<b>0.00</b>	<b>2,891,464</b>	<b>6,351,982</b>	<b>919,935</b>	<b>10,163,381</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	873	8198		PD	0.00	(60,241)	0	0	(60,241)	FMAP Adjustment
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(60,241)</b>	<b>0</b>	<b>0</b>	<b>(60,241)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	2,831,223	6,351,982	919,935	10,103,140	
				<b>Total</b>	<b>0.00</b>	<b>2,831,223</b>	<b>6,351,982</b>	<b>919,935</b>	<b>10,103,140</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	873	8198		PD	0.00	(6,074)	0	0	(6,074)	FMAP Adjustment
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(6,074)</b>	<b>0</b>	<b>0</b>	<b>(6,074)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	2,825,149	6,351,982	919,935	10,097,066	
				<b>Total</b>	<b>0.00</b>	<b>2,825,149</b>	<b>6,351,982</b>	<b>919,935</b>	<b>10,097,066</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
DENTAL								
CORE								
PROGRAM DISTRIBUTIONS	9,164,713	0.00	10,163,381	0.00	10,103,140	0.00	10,097,066	0.00
TOTAL - PD	9,164,713	0.00	10,163,381	0.00	10,103,140	0.00	10,097,066	0.00
GRAND TOTAL	\$9,164,713	0.00	\$10,163,381	0.00	\$10,103,140	0.00	\$10,097,066	0.00
GENERAL REVENUE	\$2,581,993	0.00	\$2,891,464	0.00	\$2,831,223	0.00	\$2,825,149	0.00
FEDERAL FUNDS	\$5,664,920	0.00	\$6,351,982	0.00	\$6,351,982	0.00	\$6,351,982	0.00
OTHER FUNDS	\$917,800	0.00	\$919,935	0.00	\$919,935	0.00	\$919,935	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Dental**

**Program is found in the following core budget(s): Dental**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payment for dental services for fee for service MO HealthNet participants eligible for dental services.*

Dental services are typically those diagnostic, preventive and corrective procedures provided by a licensed dentist or dental hygienist performing within his/her scope of practice. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include: treatment of the teeth and associated structure of the oral cavity; preparation, fitting and repair of dentures and associated appliances; and treatment of disease, injury or impairments that affect the general oral health of a participant.

To participate in the MO HealthNet program, a dentist must be licensed by the Missouri Dental Board and have a signed Title XIX Participation Agreement. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. The fees paid to the provider are based on maximum allowable amounts identified on a fee schedule. Prior authorization is required for certain services, such as orthodontic treatment, composite resin crowns, metallic and porcelain/ceramic inlay restorations, high noble metal crowns, etc.

Since September 1, 2005, MO HealthNet only covers dental services for adults (age 21 and over) (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents) as related to a medical condition when a written referral from the participant's physician states the absence of dental treatment would adversely affect the stated pre-existing medical condition. Dental services for children ages 20 and under (except individual under a category of assistance for pregnant women or the blind or nursing facility residents) remain unchanged.

Covered services under the dental program include, but are not limited to, examinations, prophylaxis, fluoride treatments, extractions, anesthesia, crowns, injections, oral surgery, periodontal treatment (in limited cases), pulp treatment, restoration, root canal therapy and x-rays. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to those eligibles age 20 and under for the most handicapping malocclusions. Dentures (full or partial), denture adjustments, or repairs, and denture duplication or relines are covered only for participants under a category of assistance for pregnant women, the blind, nursing facility residents or children 20 and under.

Dental services for adults have been provided for through SB577 during the 94th General Assembly; however no appropriations were allocated for these services.

A copayment, a portion of the providers' charges paid by the participant, is required on many dental services. Participants under age 19, hospice participants, participants who reside in nursing facilities, residential care facilities, psychiatric hospitals or adult boarding homes, and participants age 18-21 in foster care are exempt from copayments. The copayment, in accordance with title 42 Code of Federal Regulations part 447.54, is based on the lesser of the provider's usual charge for the service or the Maximum Allowable Amount. The copayment is \$.50 for charges of \$10.00 or less, \$1.00 for \$10.01 to \$25.00, \$2.00 for \$25.01 to \$50.00 and \$3.00 for charges of \$50.01 or more. Reimbursement for services to individuals not subject to the copayment is determined by adding together the maximum allowable amount plus one-half the participant cost share amount listed for the procedure. This formula represents the minimum amount allowed for the procedure code. Reimbursement is made at the lower of the providers billed amount or the maximum allowed less any TPL.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State: RSMo. 208.152, 208.166; Federal law: Social Security Act Section 1905(a)(10); Federal regulation: 42 CFR 440.100

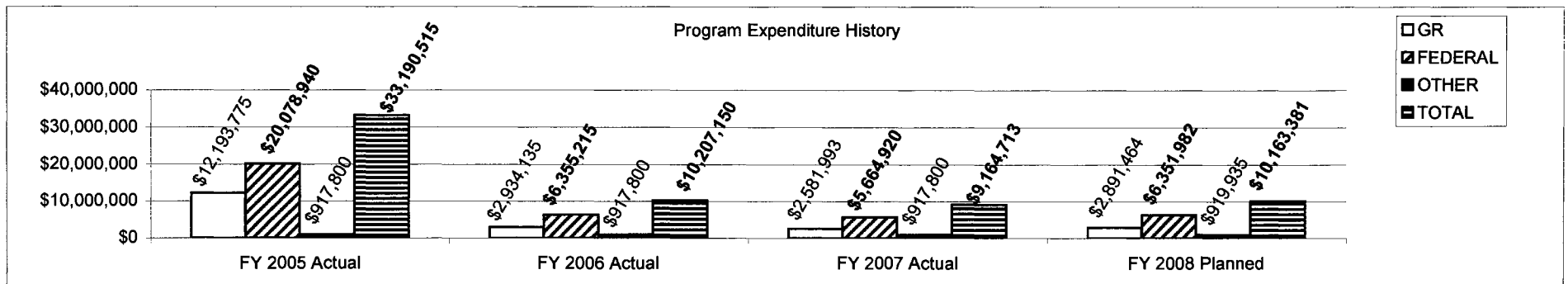
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

No for adults. Yes for children.

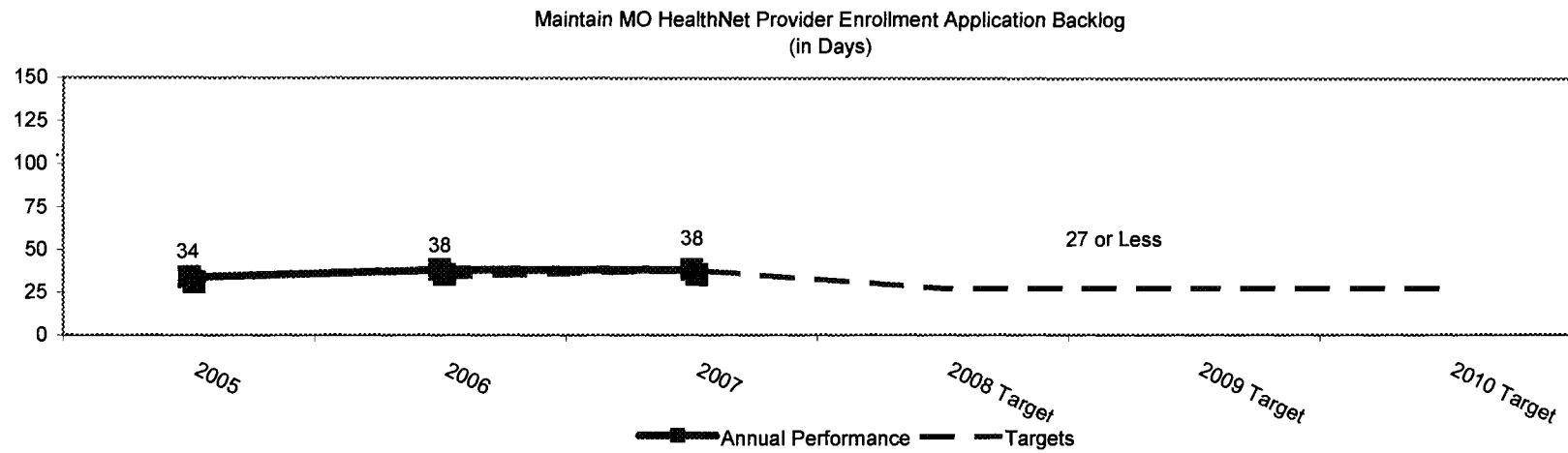
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Health Initiatives Fund (0275), Healthy Families Trust Fund-Health Care Account (0640) in FY05 thru FY07 and Healthy Families Trust Fund (0625) in FY08.

7a. Provide an effectiveness measure.



7b. Provide an efficiency measure.



**7c. Provide the number of clients/individuals served, if applicable.**

**Eligibles:**

Dental services are available to all MO HealthNet eligibles\*. In the regions of the state where managed care has been implemented, children and pregnant women have dental services available through the managed care health plans.

\*Effective September 1, 2005 dental services were available only to children, pregnant women, the blind, and nursing facility residents. Dental services were available to other adults if the dental care was related to trauma or a disease/medical condition. Qualified Medicare Beneficiaries (QMB's) were not eligible for dental services.

Dental services for adults have been reinstated with SB577 during the 94th General Assembly; however no appropriations were allocated for these services.

Users of Dental Services Average/Month		
SFY	Actual	Projected
2005	16,039	15,624
2006	9,286	7,293
2007	5,959	11,605
2008		7,082
2009		8,416
2010		10,002

Average Cost/Service		
SFY	Actual	Projected
2005	\$43.45	\$44.14
2006	\$41.32	\$39.87
2007	\$32.89	\$41.34
2008		\$32.91
2009		\$32.93
2010		\$32.95

Average Monthly Units of Service Per User		
SFY	Actual	Projected
2005	4.07	4.50
2006	4.18	4.15
2007	4.26	4.29
2008		4.34
2009		4.42
2010		4.50

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PREMIUM PAYMENTS</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	51,109,185	0.00	57,266,635	0.00	55,833,609	0.00	51,243,215	0.00
TITLE XIX-FEDERAL AND OTHER	85,114,287	0.00	96,289,603	0.00	96,289,603	0.00	88,878,539	0.00
TOTAL - PD	136,223,472	0.00	153,556,238	0.00	152,123,212	0.00	140,121,754	0.00
<b>TOTAL</b>	<b>136,223,472</b>	<b>0.00</b>	<b>153,556,238</b>	<b>0.00</b>	<b>152,123,212</b>	<b>0.00</b>	<b>140,121,754</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	436,604	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	741,496	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,178,100	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,178,100</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>Medicare Premium Increase - 1886010</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	7,426,654	0.00	2,417,491	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	12,600,948	0.00	4,099,887	0.00
TOTAL - PD	0	0.00	0	0.00	20,027,602	0.00	6,517,378	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>20,027,602</b>	<b>0.00</b>	<b>6,517,378</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,433,026	0.00	1,523,420	0.00
TOTAL - PD	0	0.00	0	0.00	1,433,026	0.00	1,523,420	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,433,026</b>	<b>0.00</b>	<b>1,523,420</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$136,223,472</b>	<b>0.00</b>	<b>\$153,556,238</b>	<b>0.00</b>	<b>\$174,761,940</b>	<b>0.00</b>	<b>\$148,162,552</b>	<b>0.00</b>

1/16/08 7:14

im\_disummary



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Premium Payments

Budget Unit: 90547C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	55,833,609	96,289,603		152,123,212
TRF				
<b>Total</b>	<b>55,833,609</b>	<b>96,289,603</b>		<b>152,123,212</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	51,243,215	88,878,539		140,121,754
TRF				
<b>Total</b>	<b>51,243,215</b>	<b>88,878,539</b>		<b>140,121,754</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. CORE DESCRIPTION

This core request is for the ongoing funding for premium payments for health insurance through the following MO HealthNet programs: Medicare Buy-In and the Health Insurance Premium Payment (HIPP) program.

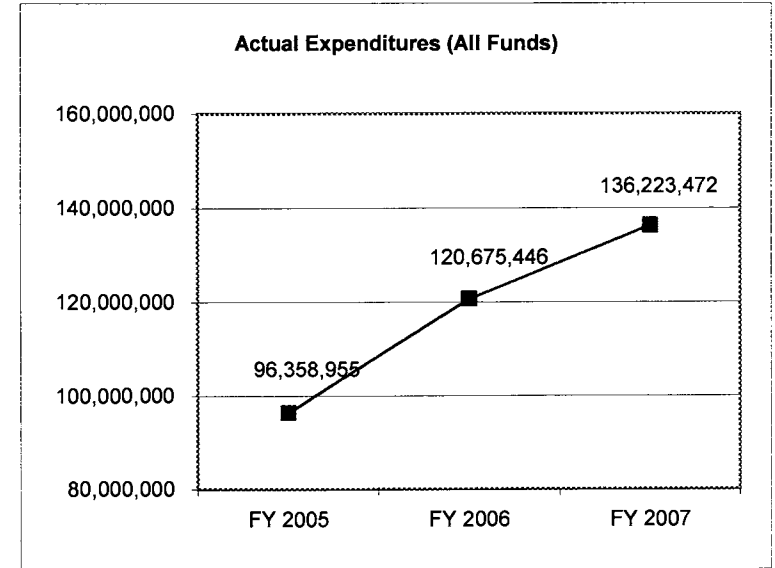
## 3. PROGRAM LISTING (list programs included in this core funding)

Premium Payments Program:  
Medicare Part A and Part B Buy-In  
Health Insurance Premium Payment (HIPP) Program

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	96,359,288	125,838,041	146,129,677	153,556,238
Less Reverted (All Funds)	0	(102,896)	0	N/A
Budget Authority (All Funds)	96,359,288	125,735,145	146,129,677	N/A
Actual Expenditures (All Funds)	96,358,955	120,675,446	136,223,472	N/A
Unexpended (All Funds)	333	5,059,699	9,906,205	N/A
Unexpended, by Fund:				
General Revenue	129	140,478	4,294,000	N/A
Federal	204	4,919,221	5,612,205	N/A
Other	0	0	0	N/A

(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Expenditures of \$6,926,710 were paid from the Supplemental Pool.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**PREMIUM PAYMENTS**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				PD	0.00	57,266,635	96,289,603	0	153,556,238	
				<b>Total</b>	<b>0.00</b>	<b>57,266,635</b>	<b>96,289,603</b>	<b>0</b>	<b>153,556,238</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	874	8200		PD	0.00	(1,433,026)	0	0	(1,433,026)	FMAP Adjustment
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(1,433,026)</b>	<b>0</b>	<b>0</b>	<b>(1,433,026)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	55,833,609	96,289,603	0	152,123,212	
				<b>Total</b>	<b>0.00</b>	<b>55,833,609</b>	<b>96,289,603</b>	<b>0</b>	<b>152,123,212</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	874	8200		PD	0.00	(90,394)	0	0	(90,394)	FMAP Adjustment
Core Reduction	2245	8201		PD	0.00	0	(7,411,064)	0	(7,411,064)	Core reduction to premium payments
Core Reduction	2245	8200		PD	0.00	(4,500,000)	0	0	(4,500,000)	Core reduction to premium payments
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(4,590,394)</b>	<b>(7,411,064)</b>	<b>0</b>	<b>(12,001,458)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	51,243,215	88,878,539	0	140,121,754	
				<b>Total</b>	<b>0.00</b>	<b>51,243,215</b>	<b>88,878,539</b>	<b>0</b>	<b>140,121,754</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PREMIUM PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	136,223,472	0.00	153,556,238	0.00	152,123,212	0.00	140,121,754	0.00
TOTAL - PD	136,223,472	0.00	153,556,238	0.00	152,123,212	0.00	140,121,754	0.00
GRAND TOTAL	\$136,223,472	0.00	\$153,556,238	0.00	\$152,123,212	0.00	\$140,121,754	0.00
GENERAL REVENUE	\$51,109,185	0.00	\$57,266,635	0.00	\$55,833,609	0.00	\$51,243,215	0.00
FEDERAL FUNDS	\$85,114,287	0.00	\$96,289,603	0.00	\$96,289,603	0.00	\$88,878,539	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Premium Payments**

**Program is found in the following core budget(s): Premium Payments**

### 1. What does this program do?

*PROGRAM SYNOPSIS: This program pays for health insurance premiums for eligible participants. Payments include premiums for Medicare Part A, Medicare Part B and group health insurance premiums provided under the Health Insurance Premium Payment (HIPP) program. Payment of these premiums transfers medical costs from MO HealthNet to Medicare and other payers.*

#### Medicare Buy-In:

The Medicare Buy-in Program allows states to enroll certain groups of eligible individuals in the Medicare Part A and Part B program and pay their premiums. The purpose of buy-in is to permit the state, as part of its total assistance plan, to provide Medicare protection to certain groups of eligible individuals. It transfers medical costs from the Title XIX Medicaid program to the Medicare program - Title XVIII. This process allows the state to realize cost savings through substitution of Medicare liability for the majority of the medical costs before Medicaid reimburses for the services. There are two types of buy-in agreements - "1634 agreements" and "209b". States with "1634 agreements" have the same Medicaid eligibility standards as the Supplemental Security Income (SSI) program. States with more restrictive eligibility standards for Medicaid are "209b" states. The "209b" states make their own buy-in determinations. Missouri is a 209b state.

The Medicare program is divided into two parts - Part A and Part B. Part A covers hospital, skilled nursing facility, home health, and hospice care. There are deductibles and coinsurance, but most people do not pay premiums for Part A. There is no premium for workers (and their spouse) who have at least ten years of Social Security covered employment. Services covered under Part B are doctors' services, outpatient hospital services, durable medical equipment, home health care, and other medical services. Part B has premiums, deductibles, and coinsurance amounts that the individual is responsible for paying. Premium, deductible and coinsurance amounts are set each year based on formulas established by law. New payment amounts are set each January.

The buy-in for Part A began in FY 90 (September 1989). The Part B buy-in has been a MO HealthNet service since January 1968.

#### Health Insurance Premium Payment:

The Health Insurance Premium Payment (HIPP) program is a program that pays for the cost of health insurance premiums, coinsurance, and deductibles. The program pays for health insurance for MO HealthNet eligibles when it is "cost effective". "Cost effective" means that it costs less to buy health insurance to cover medical care than to pay for the same services with MO HealthNet funds. Cost effectiveness is determined by comparing the cost of the medical coverage (includes premium payments, coinsurance, and deductibles) with the average cost of each MO HealthNet-eligible person in the household. The average cost of each MO HealthNet participant is based on the previous year's MO HealthNet expenditures with like demographic data - age, sex, geographic location (county), type of assistance (MAF, OAA, and disabled), and the types of services covered by the group insurance. The HIPP program has been a MO HealthNet program since September 1992.

Provisions of OBRA 90 require states to purchase group health insurance (such as an employer sponsored insurance) for a MO HealthNet participant (who is eligible to enroll for the coverage) when it is more cost-effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.153; Federal law: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation: 42 CFR 406.26 and 431.625

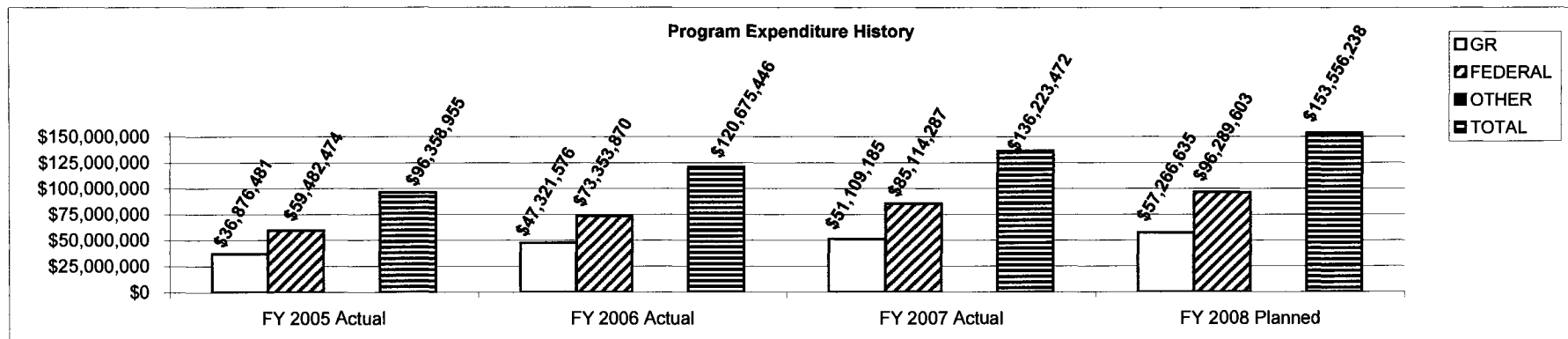
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, if the state elects to have a Medicaid program.

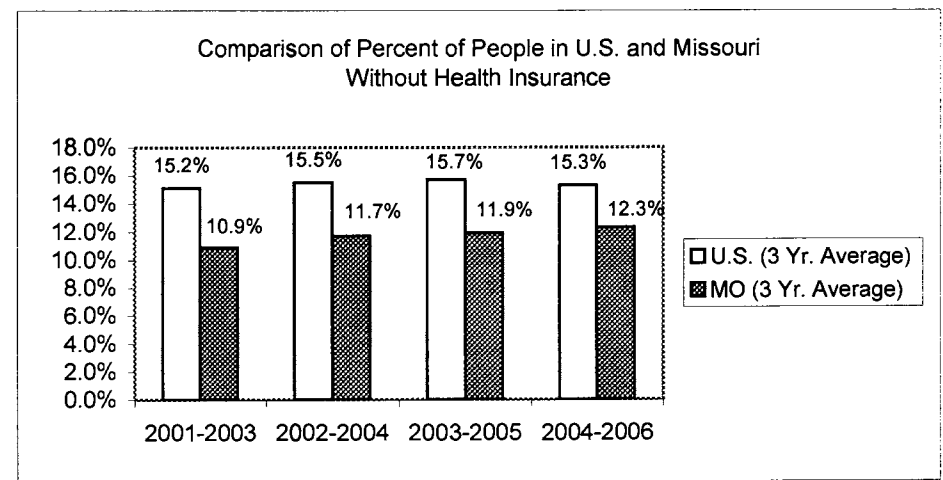
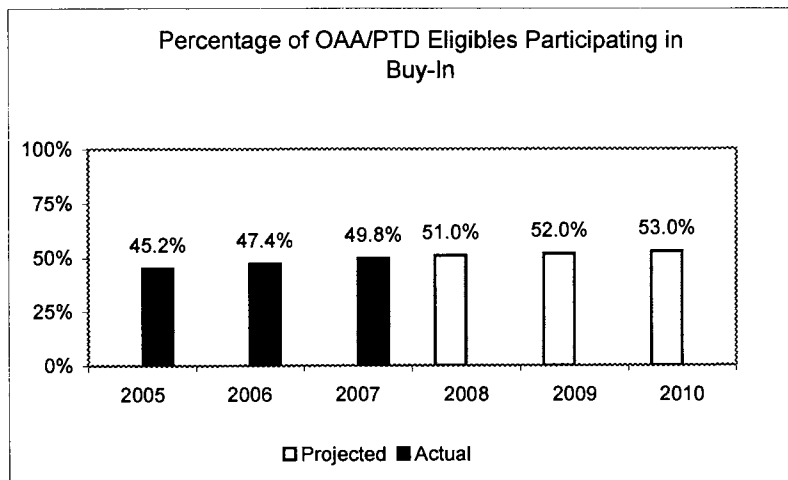
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**



**7b. Provide an efficiency measure.**

HIPP Cost Avoidance		
SFY	Actual	Projected
2005	\$2.55 Mil	N/A
2006	\$2.29 Mil	\$2.50 Mil
2007	\$3.35 Mil	\$2.50 Mil
2008		\$3.25 Mil
2009		\$3.25 Mil
2010		\$3.25 Mil

**7c. Provide the number of clients/individuals served, if applicable.**

Participants Receiving Premium Payment						
	Part A		Part B		HIPP	
SFY	Actual	Projected	Actual	Projected	Actual	Projected
2005	792	766	106,394	105,480	7,953	*
2006	859	855	110,181	111,714	8,640	8,351
2007	989	921	113,821	114,724	10,092	9,387
2008		987		119,454		10,197
2009		1,058		124,376		11,079
2010		1,134		129,500		12,037

\*Not Available

Eligibles:

▪ Part A (Hospital) premium payment can be made for:

- Qualified Medicare Beneficiaries (QMBs)
- Qualified Disabled Working Individuals

▪ Part B (Medical) premium payment can be made for:

- Individuals that meet certain income standards
- Qualified Medicare Beneficiaries (QMBs)
- Specified Low-Income Medicare Beneficiaries

▪ HIPP:

- Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of *services with MO HealthNet funds*.

**7d. Provide a customer satisfaction measure, if available.**

## NEW DECISION ITEM

RANK: 14

Department: Social Services  
 Division: MO HealthNet  
 DI Name: Medicare Premium Increases

Budget Unit: 90547C

DI#: 1886010

## 1. AMOUNT OF REQUEST

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	7,426,654	12,600,948		20,027,602
TRF				
Total	<u>7,426,654</u>	<u>12,600,948</u>		<u>20,027,602</u>

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	2,417,491	4,099,887		6,517,378
TRF				
Total	<u>2,417,491</u>	<u>4,099,887</u>		<u>6,517,378</u>

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

## 3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is requested for anticipated Medicare Part A and Part B increases.

Federal law mandates that the Medicare Part A and Part B premiums cover a certain percentage of the cost of the Medicare program. Medicare Part A and Part B premiums are adjusted each January. In FY09, Part A premiums are estimated to be \$456 which consists of FY08 - \$432 plus a \$24.00 increase. In FY09, Part B premiums are estimated to be \$121.65 which consists of FY08 - \$109.40 plus a \$12.25 increase. The Federal Authority is Social Security Act Section 1905(p)(1), 1902(a)(10), and 1906 and Federal Regulations 42 CFR 406.26 and 431.625. State Authority is 208.153.

The Governor's recommendation reflects more recent premium data for CMS. The premium increase for FY09 is now based on a \$16.00 increase in Part A premiums and a \$6.07 increase in Part B.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The request is for six months of funding for the calendar year 2008 premium increases and six months of funding for the expected calendar year 2009 premium increases.

Projected eligibles are based on historical data. The projected premium increases are based on the average increases in premiums over the last few years as well as other information sources.

The federal matching rate used for increases for the period July 2008 through September 2008 is 62.42%. The federal matching rate used for increases for the period October 2008 through June 2009 is 63.11%.

FY09 Department Request:

	Part A	Part B	Total
Eligibles per month (FY08)	1,053	115,429	
Eligibles per month (FY09)	1,148	118,522	
Premium Increase 1/08	\$22	\$15.90	
Premium Increase 1/09	\$24	\$12.25	
<u>Calendar Year 2008 Increase:</u>			
Average eligibles per month	1,053	115,429	
Premium increase for 2008	\$22	\$15.90	
Number of months of increase	6	6	
Projected increase 7/08 -12/08	\$138,996	\$11,011,927	\$11,150,923
<u>Calendar Year 2009 Increase:</u>			
Average eligibles per month	1,148	118,522	
Premium increase for 2009	\$24	\$12.25	
Number of months of increase	6	6	
Projected increase 1/09 - 6/09	\$165,312	\$8,711,367	\$8,876,679
Total	\$304,308	\$19,723,294	\$20,027,602

	Total	GR	Federal
Part A Increases	304,308	112,740	191,568
Part B Increases	19,723,294	7,313,914	12,409,380
Total	\$20,027,602	\$7,426,654	\$12,600,948

FY09 Governor's Recommendation:

The Governor's Recommendations include updated premium increases.

	Part A	Part B	Total
Eligibles per month (FY08)	1,053	115,429	
Eligibles per month (FY09)	1,148	118,522	
Premium Increase 1/08	\$13	\$2.90	
Premium Increase 1/09	\$16	\$6.07	
<u>Calendar Year 2008 Increase:</u>			
Average eligibles per month	1,053	115,429	
Premium increase for 2008	\$13	\$2.90	
Number of months of increase	6	6	
Projected increase 7/08 -12/08	\$82,134	\$2,008,465	\$2,090,599
<u>Calendar Year 2009 Increase:</u>			
Average eligibles per month	1,148	118,522	
Premium increase for 2009	\$16	\$6.07	
Number of months of increase	6	6	
Projected increase 1/09 - 6/09	\$110,208	\$4,316,571	\$4,426,779
Total	\$192,342	\$6,325,036	\$6,517,378

	Total	GR	Federal
Part A Increases	192,342	71,403	120,939
Part B Increases	6,325,036	2,346,088	3,978,948
Total	6,517,378	2,417,491	4,099,887

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Req TOTAL FTE	Dept Req One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	7,426,654		12,600,948				20,027,602		
Total PSD	7,426,654		12,600,948		0		20,027,602		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	7,426,654	0.0	12,600,948	0.0	0	0.0	20,027,602	0.0	0

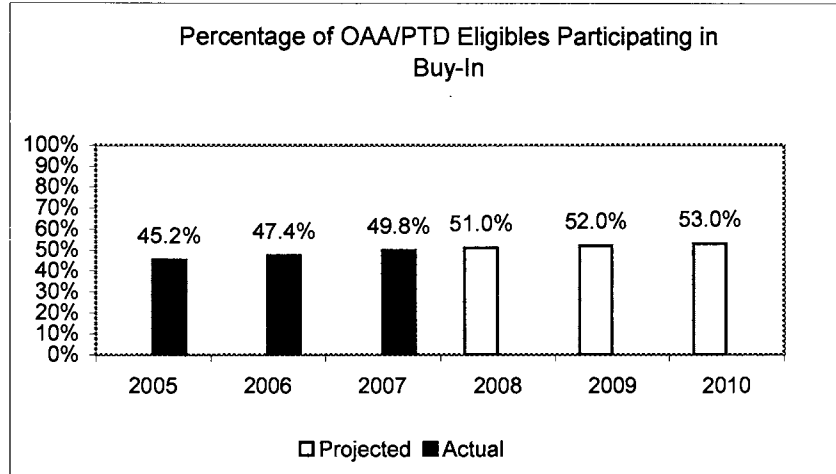
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS

Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	2,417,491		4,099,887				6,517,378		
Total PSD	2,417,491		4,099,887		0		6,517,378		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	2,417,491	0.0	4,099,887	0.0	0	0.0	6,517,378	0.0	0



**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**



**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

Participants Receiving Premium Payment				
	Part A		Part B	
SFY	Actual	Projected	Actual	Projected
2005	792	766	106,394	105,480
2006	859	855	110,181	111,714
2007	966	921	112,417	114,724
2008		1,053		115,429
2009		1,148		118,522
2010		1,251		121,698

Eligibles:

- Part A (Hospital) premium payment can be made for:
  - Qualified Medicare Beneficiaries (QMBs)
  - Qualified Disabled Working Individuals
- Part B (Medical) premium payment can be made for:
  - Individuals that meet certain income standards
  - Qualified Medicare Beneficiaries (QMBs)
  - Specified Low-Income Medicare Beneficiaries

**6d. Provide a customer satisfaction measure, if available.**

## **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Work with awarded vendor to establish the Chronic Care Improvement Program (CCIP) for health care management to improve health care quality for patients with chronic illness and disease.
- Maintain the disease management (DM) program and focus on intensive outreach / growing the CCIP.
- Establish dedicated CCIP help desks for provider and participant support. Continue DM help desks.
- Utilize internet-based plan of care as part of the chronic care improvement program.
- Continue outreach efforts through participant mailings and direct promotion by their current practitioner.
- Continue statewide identification of participants with targeted disease states.
- Inform providers of the clinical and financial benefits of participating in Disease Management and the Chronic Care Programs.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Expand the number of CyberAccess users and utilize SmartMed™ Prior Authorization for durable medical equipment, and other selected medical procedures.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>PREMIUM PAYMENTS</b>								
<b>Medicare Premium Increase - 1886010</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	20,027,602	0.00	6,517,378	0.00
TOTAL - PD	0	0.00	0	0.00	20,027,602	0.00	6,517,378	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$20,027,602</b>	<b>0.00</b>	<b>\$6,517,378</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$7,426,654	0.00	\$2,417,491	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$12,600,948	0.00	\$4,099,887	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	127,882,900	0.00	157,886,938	0.00	149,309,763	0.00	144,056,408	0.00
TITLE XIX-FEDERAL AND OTHER	293,416,833	0.00	355,409,059	0.00	351,428,739	0.00	343,103,100	0.00
UNCOMPENSATED CARE FUND	50,391,132	0.00	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00
THIRD PARTY LIABILITY COLLECT	2,592,981	0.00	2,592,981	0.00	2,592,981	0.00	2,592,981	0.00
NURSING FACILITY FED REIM ALLW	964,324	0.00	0	0.00	0	0.00	0	0.00
HEALTHY FAMILIES TRUST	0	0.00	17,973	0.00	17,973	0.00	17,973	0.00
HFT-HEALTH CARE ACCT	17,973	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	475,266,143	0.00	574,423,429	0.00	561,865,934	0.00	548,286,940	0.00
<b>TOTAL</b>	<b>475,266,143</b>	<b>0.00</b>	<b>574,423,429</b>	<b>0.00</b>	<b>561,865,934</b>	<b>0.00</b>	<b>548,286,940</b>	<b>0.00</b>
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	294	0.00	293	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	838	0.00	839	0.00
TOTAL - PD	0	0.00	0	0.00	1,132	0.00	1,132	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,132</b>	<b>0.00</b>	<b>1,132</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	6,094,887	0.00	6,439,365	0.00
TOTAL - PD	0	0.00	0	0.00	6,094,887	0.00	6,439,365	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>6,094,887</b>	<b>0.00</b>	<b>6,439,365</b>	<b>0.00</b>
<b>Nursing Facility Rate Increase - 1886046</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	9,685,617	0.00

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

### Budget Unit

Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
Nursing Facility Rate Increase - 1886046								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	16,491,726	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	26,177,343	0.00
TOTAL	0	0.00	0	0.00	0	0.00	26,177,343	0.00
<b>GRAND TOTAL</b>	<b>\$475,266,143</b>	<b>0.00</b>	<b>\$574,423,429</b>	<b>0.00</b>	<b>\$567,961,953</b>	<b>0.00</b>	<b>\$580,904,780</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Nursing Facilities

Budget Unit: 90549C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	149,309,763	351,428,739	61,127,432	561,865,934
TRF				
Total	<b>149,309,763</b>	<b>351,428,739</b>	<b>61,127,432</b>	<b>561,865,934</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Healthy Families Trust Fund (0625)  
Third Party Liability Collections Fund (TPL) (0120)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	144,056,408	343,103,100	61,127,432	548,286,940
TRF				
Total	<b>144,056,408</b>	<b>343,103,100</b>	<b>61,127,432</b>	<b>548,286,940</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Healthy Families Trust Fund (0625)  
Third Party Liability Collections Fund (TPL) (0120)

## 2. CORE DESCRIPTION

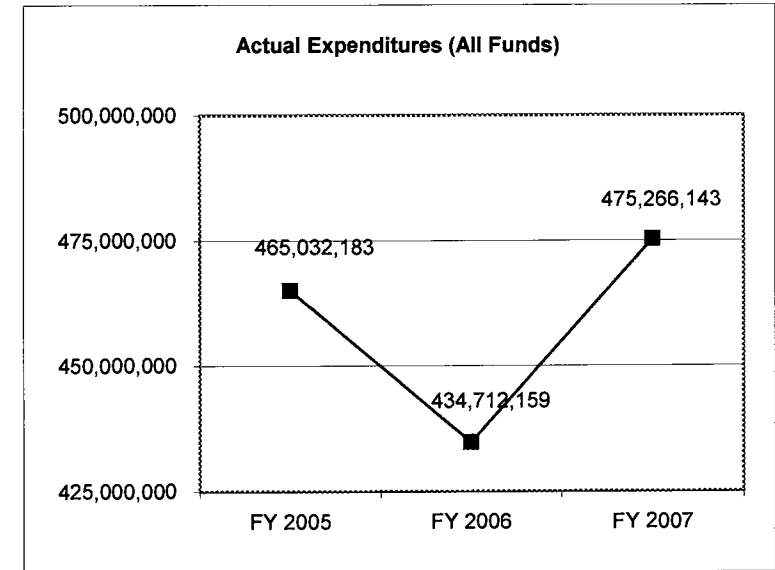
This core is for ongoing funding for payments for long-term nursing care for MO HealthNet participants.

## 3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	469,007,183	434,712,159	507,691,439	574,423,429
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	469,007,183	434,712,159	507,691,439	N/A
Actual Expenditures (All Funds)	465,032,183	434,712,159	475,266,143	N/A
Unexpended (All Funds)	3,975,000	0	32,425,296	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	19,692,210	N/A
Other	3,975,000	0	12,733,086	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Agency reserve of \$3,975,000 - TPL and IGT. There was no cash to support the NFRA authority. Expenditures of \$10,488,972 were paid from the Supplemental Pool.

(2) Expenditures of \$30,673,390 were paid from the Supplemental Pool.

(3) Received \$11.5 million (\$7 million federal and \$4.5 million general revenue) in supplemental funding for a \$3.00 a day rate increase. Increase not granted in FY07 - awaiting approval from CMS. CMS approved the rate adjustment in FY08 and back payments were made to nursing homes for the \$3 per day



## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES NURSING FACILITIES

#### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>				PD	0.00	157,886,938	355,409,059	61,127,432	574,423,429	
<b>Total</b>					<b>0.00</b>	<b>157,886,938</b>	<b>355,409,059</b>	<b>61,127,432</b>	<b>574,423,429</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	876	6472	PD	0.00	(6,094,887)		0	0	(6,094,887)	FMAP Adjustment
Core Reduction	887	6473	PD	0.00	0	(3,980,320)		0	(3,980,320)	Increase in patient surplus
Core Reduction	887	6472	PD	0.00	(2,482,288)	0		0	(2,482,288)	Increase in patient surplus
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(8,577,175)</b>	<b>(3,980,320)</b>	<b>0</b>	<b>(12,557,495)</b>	
<b>DEPARTMENT CORE REQUEST</b>				PD	0.00	149,309,763	351,428,739	61,127,432	561,865,934	
<b>Total</b>					<b>0.00</b>	<b>149,309,763</b>	<b>351,428,739</b>	<b>61,127,432</b>	<b>561,865,934</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	876	6472	PD	0.00	(344,478)	0		0	(344,478)	FMAP Adjustment
Core Reduction	887	6473	PD	0.00	0	(91,123)		0	(91,123)	Increase in patient surplus
Core Reduction	887	6472	PD	0.00	91,123	0		0	91,123	Increase in patient surplus
Core Reduction	2246	6473	PD	0.00	0	(8,234,516)		0	(8,234,516)	Core reduction to nursing facilities
Core Reduction	2246	6472	PD	0.00	(5,000,000)	0		0	(5,000,000)	Core reduction to nursing facilities
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(5,253,355)</b>	<b>(8,325,639)</b>	<b>0</b>	<b>(13,578,994)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>				PD	0.00	144,056,408	343,103,100	61,127,432	548,286,940	
<b>Total</b>					<b>0.00</b>	<b>144,056,408</b>	<b>343,103,100</b>	<b>61,127,432</b>	<b>548,286,940</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	475,266,143	0.00	574,423,429	0.00	561,865,934	0.00	548,286,940	0.00
TOTAL - PD	475,266,143	0.00	574,423,429	0.00	561,865,934	0.00	548,286,940	0.00
<b>GRAND TOTAL</b>	<b>\$475,266,143</b>	<b>0.00</b>	<b>\$574,423,429</b>	<b>0.00</b>	<b>\$561,865,934</b>	<b>0.00</b>	<b>\$548,286,940</b>	<b>0.00</b>
GENERAL REVENUE	\$127,882,900	0.00	\$157,886,938	0.00	\$149,309,763	0.00	\$144,056,408	0.00
FEDERAL FUNDS	\$293,416,833	0.00	\$355,409,059	0.00	\$351,428,739	0.00	\$343,103,100	0.00
OTHER FUNDS	\$53,966,410	0.00	\$61,127,432	0.00	\$61,127,432	0.00	\$61,127,432	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Nursing Facilities

**Program is found in the following core budget(s):** Nursing Facilities

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payment for long term nursing care for Title XIX Medicaid and MO HealthNet participants.*

This program provides long-term institutional care for Title XIX Medicaid and MO HealthNet participants. In SFY 07, an average of 500 nursing homes were enrolled in the MO HealthNet program with an average of 24,395 participants per month. Nursing facility care users are 2.95% of the total MO HealthNet eligibles. However, the nursing facility program comprises almost 15.54% of the total program dollars.

Payment is based on a per diem. A per diem rate is established for each nursing home by the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division. During the SFY 07 legislative session, a trend adjustment was granted which increased all nursing facility rates by \$3.00 per day effective for dates of services beginning February 1, 2007 and an additional \$6.00 per day effective for dates of service beginning July 1, 2007.

The current reimbursement methodology is based on a cost component system. The components are patient care, ancillary, administration, and capital. A working capital allowance, incentives and the Nursing Facility Reimbursement Allowance (NFRA) are also elements of the total reimbursement rate. Patient care includes nursing, medical supplies, activities, social services, and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry, and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes five types of costs: rental value, return, computed interest, borrowing costs and pass through expenses. Property insurance and real estate & personal taxes (the pass through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components times the prime rate plus 2 percent. There are three incentives which are paid to qualified facilities to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem are between 60 - 80% of total per diem and an additional amount is allowed for facilities with high MO HealthNet utilization. The current NFRA is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

The reimbursement system is a prospective system. Once the rate is established on a given cost report year, it will not change until the rates are rebased on another cost report year. This rate may be adjusted for global per diem rate adjustment, such as trends, which are granted to the industry as a whole and are applied to the previously established rate.

Providers are reimbursed based on the MO HealthNet eligible residents' days of care multiplied by the facility's Title XIX per diem less any patient surplus amount. The amount of money the Title XIX participant contributes to his or her nursing home care is called patient surplus. The patient surplus is based upon the participant's income and expenses. The amount of the patient surplus is calculated by a Family Support Division caseworker. The gross income (usually a Social Security benefit check) of the participant is adjusted for the following: personal standard (this is the amount the participant may keep for personal use; it is currently \$30); an allotment (this is the money allocated for use by the community spouse or dependent children); and medical deductions (Medicare premiums or private medical insurance premiums that the participant pays for his own medical coverage). The remainder is the patient surplus. The participant and the nursing facility are notified of the amount of the patient surplus by the Family Support Division. The nursing home provider is responsible for obtaining the patient surplus from the participant.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Section 1905(a)(4); Federal Regulations: 42 CFR 440.40 and 440.210

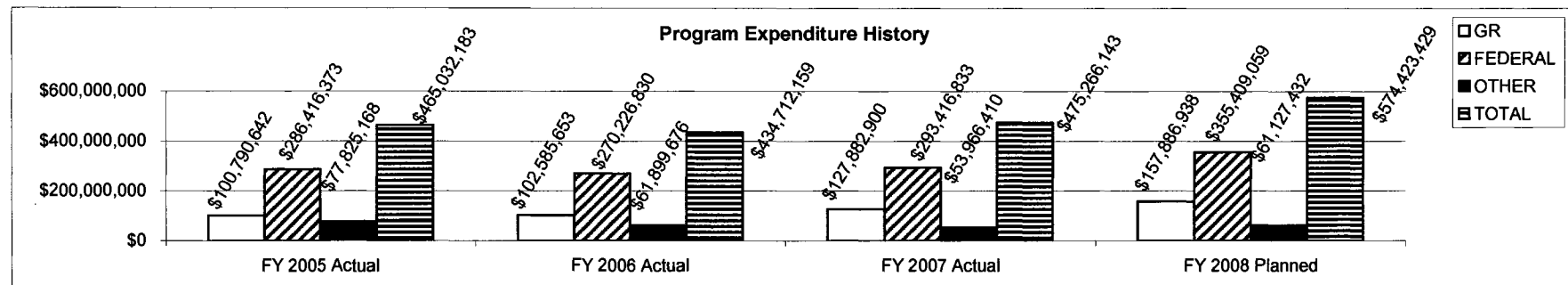
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, for people over age 21.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

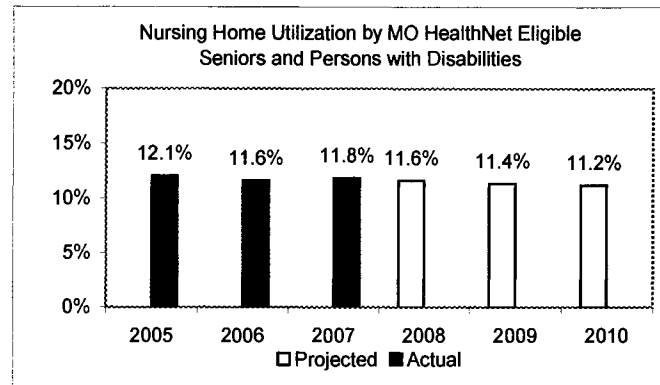


**6. What are the sources of the "Other" funds?**

Uncompensated Care Fund (0108), Nursing Facility Federal Reimbursement Allowance (0196), Healthy Families Trust Fund-Health Care Account (0640) available in FY 05 thru FY 07, Third Party Liability Collections Fund (0120), Intergovernmental Transfer Fund (0139) not available in FY06 and FY07 and Healthy Families Trust Fund (0625) in FY 08.

**7a. Provide an effectiveness measure.**

Nursing Facility Occupancy		
SFY	Actual	Projected
2005	72.3%	
2006	72.6%	72.8%
2007	72.5%	72.6%
2008		72.6%
2009		72.6%
2010		72.6%



**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Average Monthly MO HealthNet Nursing Facility Users		
SFY	Actual	Projected
2005	25,677	24,500
2006	24,842	26,447
2007	24,395	25,000
2008		25,000
2009		25,000
2010		25,000

Paid Patient Days		
SFY	Actual	Projected
2005	8.9 mil	9.1 mil
2006	8.8 mil	9.0 mil
2007	8.5 mil	8.8 mil
2008		8.7 mil
2009		8.7 mil
2010		8.8 mil

Average Per Diem Rate	
SFY	Actual
2005	\$108.95
2006	\$107.95
2007	\$111.12
2008	\$120.12
2009	
2010	

**7d. Provide a customer satisfaction measure, if available.**



**NEW DECISION ITEM  
RANK: 999**

Department: Social Services  
Division: MO HealthNet  
DI Name: Nursing Facility Rate Increase

Budget Unit: 90549C  
DI#: 1886046

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD	9,685,617	16,491,726		26,177,343
TRF				
Total	9,685,617	16,491,726		26,177,343

FTE

0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Trend Factor	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funds a \$3.00 per day nursing facility rate increase.*

Nursing facilities continue to incur higher cost from providing care to nursing home residents. Adequate reimbursement to providers is essential in order to ensure that providers are willing to participate in the MO HealthNet program, to help ensure quality care for Missouri's nursing home population and to ensure that reimbursement rates are in accordance with federal legislation.

The federal authority is found in Social Security Act Section 1905(a)(4); Federal Regulations: 42 CFR 440.40 and 440.210. State statutes are: RSMo. 208.152, 208.153.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

A trend adjustment of \$3.00 per nursing facility day is requested. The FY 09 projected nursing facility days was multiplied by the \$3.00 trend to arrive at the request of \$26,177,343.

Projected NF Days	8,725,781
Trend Factor Increase	\$3.00
Total	\$26,177,343

	Total	GR	Federal
Nursing Facilities	\$26,177,343	\$9,685,617	\$16,491,726

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
-------------------------------	---------------------------	-----------------------	----------------------------	------------------------	------------------------------	--------------------------	------------------------------	--------------------------	---------------------------------

<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions									
<b>Total PSD</b>	0		0		0		0		0
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	0	0.0	0	0.0	0	0.0	0	0.0	0



**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	9,685,617		16,491,726				26,177,343		
Total PSD	9,685,617		16,491,726		0		26,177,343		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	9,685,617	0.0	16,491,726	0.0	0	0.0	26,177,343	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

Nursing Facility Occupancy		
SFY	Actual	Projected
2005	72.3%	
2006	72.6%	72.8%
2007	72.5%	72.6%
2008		72.6%
2009		72.6%
2010		72.6%

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

Average Monthly MO HealthNet Nursing Facility Users		
FY	Actual	Projected
2005	25,677	24,500
2006	24,842	26,447
2007	24,395	25,000
2008		25,000
2009		25,000
2010		25,000

MO HealthNet Paid Patient Days		
FY	Actual	Projected
2005	8.9 mil	9.1 mil
2006	8.8 mil	9.0 mil
2007	8.5 mil	8.8 mil
2008		8.7 mil
2009		8.7 mil
2010		8.8 mil

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITIES</b>								
Nursing Facility Rate Increase - 1886046								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	26,177,343	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	26,177,343	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$26,177,343</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$9,685,617	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$16,491,726	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOME HEALTH-PACE</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	4,495,374	0.00	4,387,127	0.00	4,300,484	0.00	4,293,263	0.00
TITLE XIX-FEDERAL AND OTHER	6,689,407	0.00	7,487,536	0.00	7,487,536	0.00	7,487,536	0.00
HEALTH INITIATIVES	0	0.00	159,305	0.00	159,305	0.00	159,305	0.00
TOTAL - PD	11,184,781	0.00	12,033,968	0.00	11,947,325	0.00	11,940,104	0.00
<b>TOTAL</b>	<b>11,184,781</b>	<b>0.00</b>	<b>12,033,968</b>	<b>0.00</b>	<b>11,947,325</b>	<b>0.00</b>	<b>11,940,104</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,588	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,697	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,285	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4,285</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	4,700	0.00	4,693	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	13,420	0.00	13,427	0.00
TOTAL - PD	0	0.00	0	0.00	18,120	0.00	18,120	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>18,120</b>	<b>0.00</b>	<b>18,120</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	86,643	0.00	93,864	0.00
TOTAL - PD	0	0.00	0	0.00	86,643	0.00	93,864	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>86,643</b>	<b>0.00</b>	<b>93,864</b>	<b>0.00</b>
<b>In-Home Rate Increase - 1886036</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	68,428	0.00

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# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOME HEALTH-PACE</b>								
In-Home Rate Increase - 1886036								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	116,512	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	184,940	0.00
TOTAL	0	0.00	0	0.00	0	0.00	184,940	0.00
<b>GRAND TOTAL</b>	<b>\$11,184,781</b>	<b>0.00</b>	<b>\$12,033,968</b>	<b>0.00</b>	<b>\$12,056,373</b>	<b>0.00</b>	<b>\$12,237,028</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Home Health-PACE

Budget Unit: 90564C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	4,300,484	7,487,536	159,305	11,947,325
TRF				
<b>Total</b>	<b>4,300,484</b>	<b>7,487,536</b>	<b>159,305</b>	<b>11,947,325</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	4,293,263	7,487,536	159,305	11,940,104
TRF				
<b>Total</b>	<b>4,293,263</b>	<b>7,487,536</b>	<b>159,305</b>	<b>11,940,104</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)

## 2. CORE DESCRIPTION

This core request is for ongoing funding for payments for services provided through the Home Health and PACE programs. These programs are designed to help a MO HealthNet participant remain in their home instead of seeking institutional care.

## 3. PROGRAM LISTING (list programs included in this core funding)

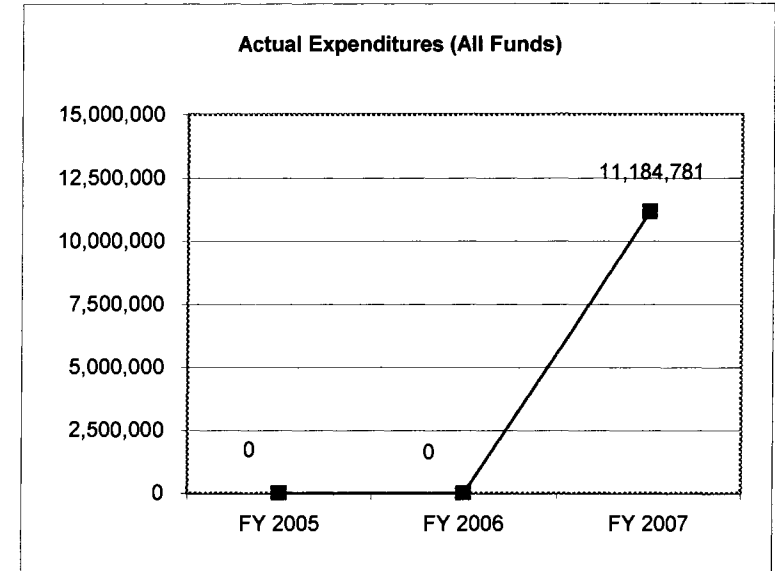
Home Health Services and Programs for All-inclusive Care for the Elderly (PACE)

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	0	12,283,092	12,033,968
Less Reverted (All Funds)	0	0	(15,279)	N/A
Budget Authority (All Funds)	0	0	12,267,813	N/A
Actual Expenditures (All Funds)	0	0	11,184,781	N/A
Unexpended (All Funds)	0	0	1,083,032	N/A
Unexpended, by Fund:				
General Revenue	0	0	257,582	N/A
Federal	0	0	670,924	N/A
Other	0	0	154,526	N/A

(1)

(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Funding for the Home and Community Based program was transferred to DHSS in FY 2006.

(2) The Home Health and Pace programs were transferred back to DSS/DMS in FY 2007. These programs are not managed by DHSS.



## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES HOME HEALTH-PACE

#### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				PD	0.00	4,387,127	7,487,536	159,305	12,033,968	
				<b>Total</b>	<b>0.00</b>	<b>4,387,127</b>	<b>7,487,536</b>	<b>159,305</b>	<b>12,033,968</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	875	1797		PD	0.00	(86,643)	0	0	(86,643)	FMAP Adjustment
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(86,643)</b>	<b>0</b>	<b>0</b>	<b>(86,643)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	4,300,484	7,487,536	159,305	11,947,325	
				<b>Total</b>	<b>0.00</b>	<b>4,300,484</b>	<b>7,487,536</b>	<b>159,305</b>	<b>11,947,325</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	875	1797		PD	0.00	(7,221)	0	0	(7,221)	FMAP Adjustment
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(7,221)</b>	<b>0</b>	<b>0</b>	<b>(7,221)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	4,293,263	7,487,536	159,305	11,940,104	
				<b>Total</b>	<b>0.00</b>	<b>4,293,263</b>	<b>7,487,536</b>	<b>159,305</b>	<b>11,940,104</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HOME HEALTH-PACE								
CORE								
PROGRAM DISTRIBUTIONS	11,184,781	0.00	12,033,968	0.00	11,947,325	0.00	11,940,104	0.00
TOTAL - PD	11,184,781	0.00	12,033,968	0.00	11,947,325	0.00	11,940,104	0.00
GRAND TOTAL	\$11,184,781	0.00	\$12,033,968	0.00	\$11,947,325	0.00	\$11,940,104	0.00
GENERAL REVENUE	\$4,495,374	0.00	\$4,387,127	0.00	\$4,300,484	0.00	\$4,293,263	0.00
FEDERAL FUNDS	\$6,689,407	0.00	\$7,487,536	0.00	\$7,487,536	0.00	\$7,487,536	0.00
OTHER FUNDS	\$0	0.00	\$159,305	0.00	\$159,305	0.00	\$159,305	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Home Health and PACE**

**Program is found in the following core budget(s): Home Health and PACE**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Funds Home Health services and PACE. These programs help MO HealthNet participants remain in their homes instead of seeking institutional care.*

The programs that make up this appropriation are Home Health and PACE.

Home Health - Home Health services provide primarily medically oriented treatment or supervision on an intermittent basis to homebound individuals with an acute illness which can be therapeutically managed at home. The care follows a written plan of treatment established and reviewed every 62 days by a physician. Services included in the Home Health benefit are skilled nursing, home health aide, physical, occupational and speech therapies, and supplies.

Home Health services are reimbursed on a per visit basis. A visit is a personal contact for a period of time not to exceed three hours in a client's home. Payment for the visit is the lower of the provider's actual billed charge or the state MO HealthNet agency established capped amount. The current MO HealthNet cap is \$63.27. The cap was increased by \$0.48 (from \$62.79) in FY 08. The Home Health program is a mandatory program added to the MO HealthNet program in July 1972, serving eligibles throughout the state.

Program of All Inclusive Care for the Elderly (PACE) - The goal is to maximize each participant's potential and continued residence in the home and community by providing preventive primary care and supports to the individual while in their home and community. In other words, the PACE program helps the participant stay as independent as possible. The PACE organization is the individual's sole source provider guaranteeing access to services but not to a specific provider.

The PACE organization provides a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week in an adult day health center setting. All medical services the individual requires while enrolled in the PACE program are the financial responsibility of the PACE provider.

PACE combines adult day settings, home care, interdisciplinary teams, transportation systems, and capitated payment systems so that providers can respond to the unique needs of each frail, elderly individual served.

The Missouri Department of Social Services, the MO HealthNet Division, is the state administering agency for the PACE program.

To be eligible to enroll in the PACE program, individuals must be at least 55 years old, live in the PACE service area, have been certified by the Missouri Department of Health and Senior Services to have met the nursing home level of care of 21 points or higher, and be recommended by the PACE staff for PACE program services as the best option for their care.

At the time of enrollment, an individual must be able to live in a community setting without jeopardizing his or her health or safety.

Enrollment in the PACE program is always voluntary and participants have the option to disenroll and return to the fee-for-service system at any time. Eligibility to enroll in the PACE program is not restricted to an individual who is either a Medicare beneficiary or MO HealthNet participant. A potential PACE enrollee may but is not required to be entitled to Medicare Part A, enrolled under Medicare Part B, or eligible for MO HealthNet.

Attendance at the PACE center is determined by the interdisciplinary team and based on the needs and preferences of the participants. Some participants attend every day and some only 2-3 times per week. The PACE organization provides transportation to and from the PACE center each day the participant is scheduled to attend.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.168; Federal law: Social Security Act Section 1905(a)(24), 1905(a)(7) and 1915(c);  
Federal Regulations: 42 CFR 440.170(f), 440.210, 440.130 and 440.180 and 460. Social Security Act Sections: 1894, 1905(a) and 1934.

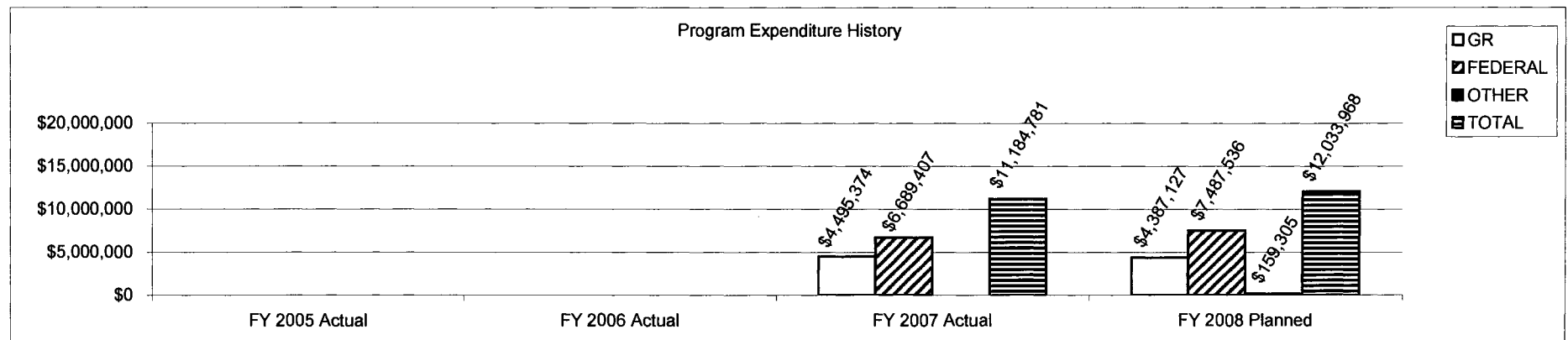
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

Home Health is mandatory and PACE is optional.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

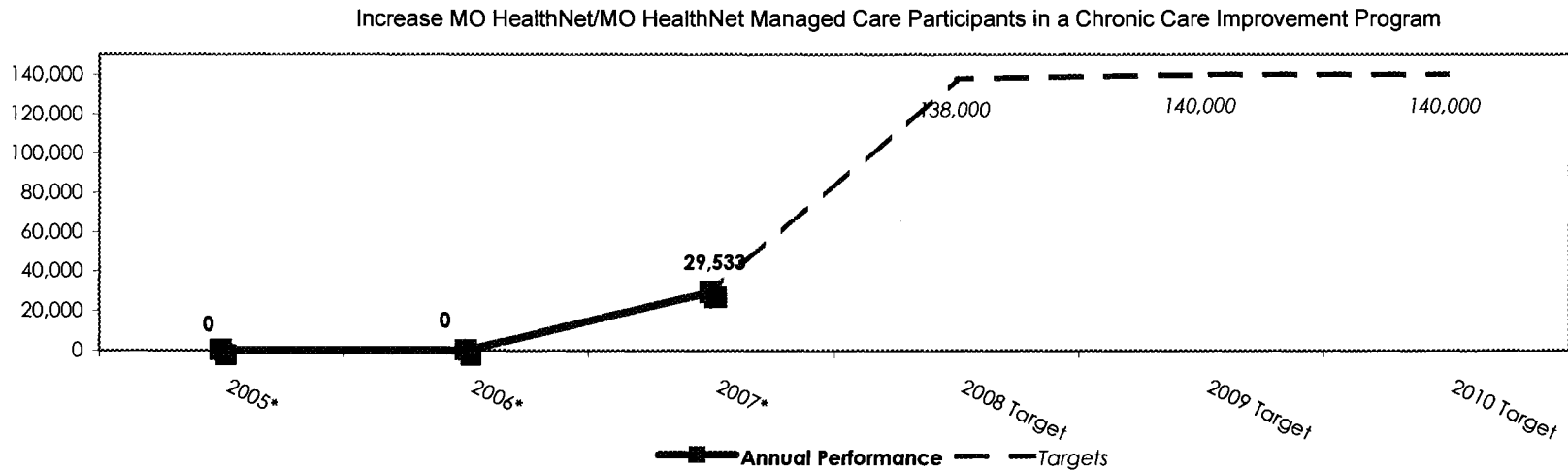


In FY06 Home Health and PACE funding was transferred to DHSS. In FY07, they were transferred back to DSS.

**6. What are the sources of the "Other" funds?**

Health Initiatives Fund (0275).

**7a. Provide an effectiveness measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

Services are available to all MO HealthNet/MC+ eligibles, however, certain criteria (medical need or age requirement) must be met before participants can receive services.

Average Monthly Users of Home Health Services		
SFY	Actual	Projected
2005	1,030	
2006	840	
2007	909	
2008		840
2009		840
2010		840

Eligibles:

Participants include dual eligibles, MO HealthNet eligibles and Medicare only eligibles.

PACE Participants		
SFY	Actual	Projected
2005	164	
2006	162	
2007	162	
2008		187
2009		197
2010		225

**7d. Provide a customer satisfaction measure, if available.**

## NEW DECISION ITEM

RANK: 999

Department: Social Services  
 Division: MO HealthNet  
 DI Name: In-Home Rate Increase

Budget Unit: 90564C

DI#: 1886036

## 1. AMOUNT OF REQUEST

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	68,428	116,512		184,940
TRF				
Total	68,428	116,512		184,940

FTE

0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Rate Increase	

## 3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds a \$.88 rate increase to the Home Health cap.

Request will provide for a cap increase of \$.88. The current cap is \$63.27.

The federal authority is Social Security Act Section 1905(a) and 1915(c); Federal Regulations: 42 CFR 440.170, 440.210, 440.130, 440.180. State Authority 208.152 RSMo.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Home Health services are reimbursed on a per visit basis. A visit is a personal contact for a period of time, not to exceed three hours in a client's place of residence. Payment for the visit is the lower of the provider's actual billed charge or the MO HealthNet agency's established capped amount. The current cap is \$63.27. A \$.88 cap increase is being recommended in this decision item. The fiscal impact for the request was based on the projected number of units of service for FY 09 multiplied by the amount of the increase. The SFY 09 blended federal matching rate of 63.00% is used.

Projected Home Health Units	210,159
Proposed Rate Increase	\$0.88
Total	<u>\$184,940</u>

	Total	GR	Federal
Home Health	\$184,940	\$68,428	\$116,512

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0



5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	68,428		116,512				184,940		
Total PSD	68,428		116,512		0		184,940		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	68,428	0.0	116,512	0.0	0	0.0	184,940	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

Average Monthly Users of Home Health Services		
FY	Actual	Projected
2005	1,030	
2006	840	
2007	909	
2008		840
2009		840
2010		840

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HOME HEALTH-PACE								
In-Home Rate Increase - 1886036								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	184,940	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	184,940	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$184,940	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$68,428	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$116,512	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
NF ELECTRONIC PILOT PROJECT								
CORE								
EXPENSE & EQUIPMENT								
NURSING FAC QUALITY OF CARE	0	0.00	450,000	0.00	450,000	0.00	450,000	0.00
TOTAL - EE	0	0.00	450,000	0.00	450,000	0.00	450,000	0.00
TOTAL	0	0.00	450,000	0.00	450,000	0.00	450,000	0.00
GRAND TOTAL	\$0	0.00	\$450,000	0.00	\$450,000	0.00	\$450,000	0.00

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: NF Electronic Pilot Project

Budget Unit: 90566C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE			450,000	450,000
PSD				
TRF				
Total			450,000	450,000
FTE				0.00

<i>Est. Fringe</i>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Quality of Care Fund (NFQC) (0271)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE			450,000	450,000
PSD				
TRF				
Total			450,000	450,000
FTE				0.00

<i>Est. Fringe</i>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facility Quality of Care Fund (NFQC) (0271)

## 2. CORE DESCRIPTION

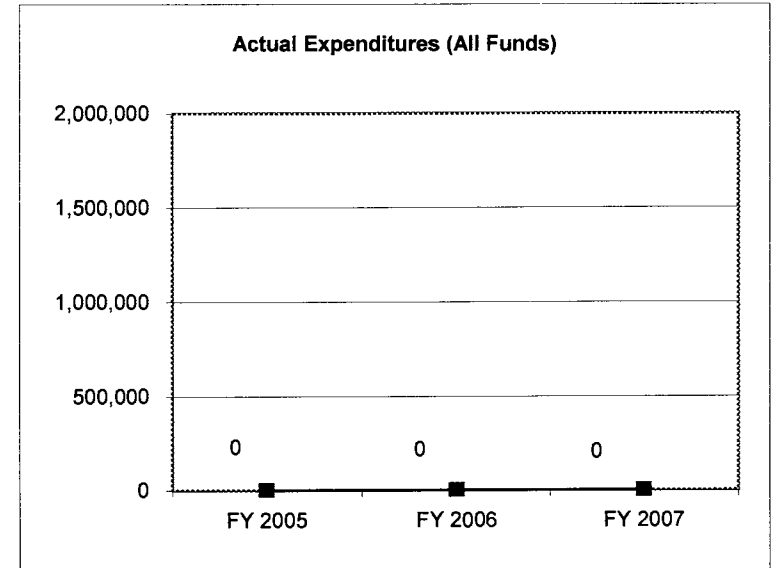
This core request is for the funding of an electronic pilot project in one or more skilled nursing facilities in Green County to study the cost effectiveness of electronic health records in long-term care and the financial benefit to MO HealthNet.

## 3. PROGRAM LISTING (list programs included in this core funding)

NF Electronic Pilot Project

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	0	0	450,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
				(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) New Program in FY 2008



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES**

**NF ELECTRONIC PILOT PROJECT**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>	EE	0.00	0	0	450,000	450,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>450,000</b>	<b>450,000</b>	
<b>DEPARTMENT CORE REQUEST</b>	EE	0.00	0	0	450,000	450,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>450,000</b>	<b>450,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>	EE	0.00	0	0	450,000	450,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>450,000</b>	<b>450,000</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
NF ELECTRONIC PILOT PROJECT								
CORE								
PROFESSIONAL SERVICES	0	0.00	450,000	0.00	450,000	0.00	450,000	0.00
TOTAL - EE	0	0.00	450,000	0.00	450,000	0.00	450,000	0.00
GRAND TOTAL	\$0	0.00	\$450,000	0.00	\$450,000	0.00	\$450,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$450,000	0.00	\$450,000	0.00	\$450,000	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Electronic Health Records in SNF

Program is found in the following core budget(s): NF Electronic Pilot Project

### 1. What does this program do?

This program funds an electronic pilot project in one or more skilled nursing facilities in Greene County to study the cost effectiveness of electronic health records in long term care and the financial benefit to MO HealthNet.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

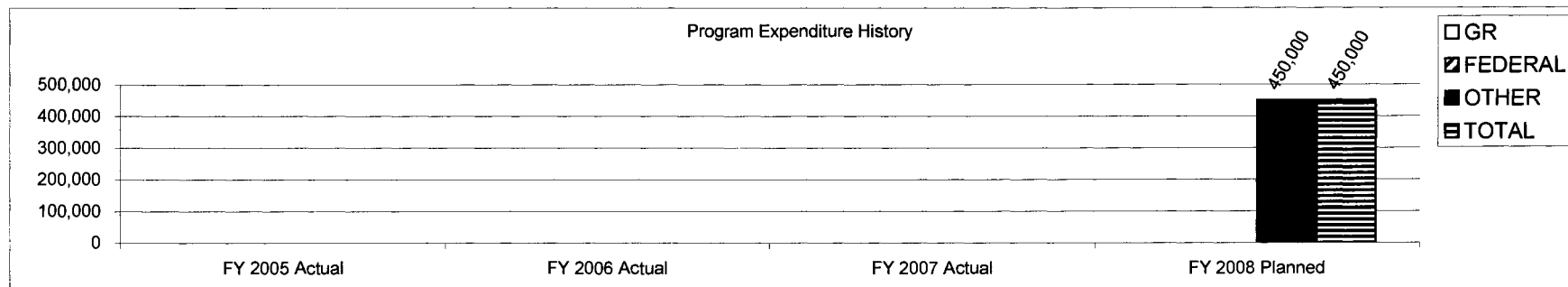
HB 11 Section 11.472

### 3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

### 4. Is this a federally mandated program? If yes, please explain.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



### 6. What are the sources of the "Other " funds?

Nursing Facility Quality of Care Fund (0271)

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>REHAB AND SPECIALTY SERVICES</b>									
<b>CORE</b>									
<b>EXPENSE &amp; EQUIPMENT</b>									
GENERAL REVENUE	276,531	0.00	599,000	0.00	750,000	0.00	750,000	0.00	
TITLE XIX-FEDERAL AND OTHER	961,250	0.00	599,000	0.00	750,000	0.00	750,000	0.00	
HFT-HEALTH CARE ACCT	22,406	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	1,260,187	0.00	1,198,000	0.00	1,500,000	0.00	1,500,000	0.00	
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	49,124,126	0.00	57,047,279	0.00	62,502,544	0.00	62,502,544	0.00	
TITLE XIX-FEDERAL AND OTHER	84,736,744	0.00	99,008,564	0.00	124,453,105	0.00	124,921,173	0.00	
HEALTH INITIATIVES	189,035	0.00	194,881	0.00	194,881	0.00	194,881	0.00	
HEALTHY FAMILIES TRUST	0	0.00	831,745	0.00	831,745	0.00	831,745	0.00	
HFT-HEALTH CARE ACCT	809,339	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - PD	134,859,244	0.00	157,082,469	0.00	187,982,275	0.00	188,450,343	0.00	
<b>TOTAL</b>	<b>136,119,431</b>	<b>0.00</b>	<b>158,280,469</b>	<b>0.00</b>	<b>189,482,275</b>	<b>0.00</b>	<b>189,950,343</b>	<b>0.00</b>	
<b>MHN Caseload Growth - 1886006</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	0	0.00	29,961	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	50,883	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	80,844	0.00	0	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>80,844</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	
<b>Hospice Rate Increase - 1886011</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	0	0.00	155,677	0.00	155,458	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	264,479	0.00	264,698	0.00	
TOTAL - PD	0	0.00	0	0.00	420,156	0.00	420,156	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>420,156</b>	<b>0.00</b>	<b>420,156</b>	<b>0.00</b>	
<b>CtoC SB 577 Women's Health Prg - 1886028</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE	0	0.00	0	0.00	12,338	0.00	12,319	0.00	

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# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	35,226	0.00	35,245	0.00
TOTAL - PD	0	0.00	0	0.00	47,564	0.00	47,564	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>47,564</b>	<b>0.00</b>	<b>47,564</b>	<b>0.00</b>
<b>CtoC SB 577 Adult Dental/Optom - 1886029</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	310,126	0.00	309,624	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	526,695	0.00	527,197	0.00
TOTAL - PD	0	0.00	0	0.00	836,821	0.00	836,821	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>836,821</b>	<b>0.00</b>	<b>836,821</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	10,932,712	0.00	10,464,644	0.00
TOTAL - PD	0	0.00	0	0.00	10,932,712	0.00	10,464,644	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>10,932,712</b>	<b>0.00</b>	<b>10,464,644</b>	<b>0.00</b>
<b>Electronic PA for DME Services - 1886023</b>								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	1,250,000	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,250,000	0.00	1,250,000	0.00
HEALTH CARE TECHNOLOGY FUND	0	0.00	0	0.00	0	0.00	1,250,000	0.00
TOTAL - EE	0	0.00	0	0.00	2,500,000	0.00	2,500,000	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,500,000</b>	<b>0.00</b>	<b>2,500,000</b>	<b>0.00</b>
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	421,567	0.00

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	717,803	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,139,370	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,139,370</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$136,119,431</b>	<b>0.00</b>	<b>\$158,280,469</b>	<b>0.00</b>	<b>\$204,300,372</b>	<b>0.00</b>	<b>\$205,358,898</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Appropriation: Rehab and Specialty Services

Budget Unit: 90550C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	750,000	750,000		1,500,000
PSD	62,502,544	124,453,105	1,026,626	187,982,275
TRF				
Total	<b>63,252,544</b>	<b>125,203,105</b>	<b>1,026,626</b>	<b>189,482,275</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Healthy Families Trust Fund (0625)  
 Health Initiatives Fund (HIF) (0275)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	750,000	750,000		1,500,000
PSD	62,502,544	124,921,173	1,026,626	188,450,343
TRF				
Total	<b>63,252,544</b>	<b>125,671,173</b>	<b>1,026,626</b>	<b>189,950,343</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Healthy Families Trust Fund (0625)  
 Health Initiatives Fund (HIF) (0275)

## 2. CORE DESCRIPTION

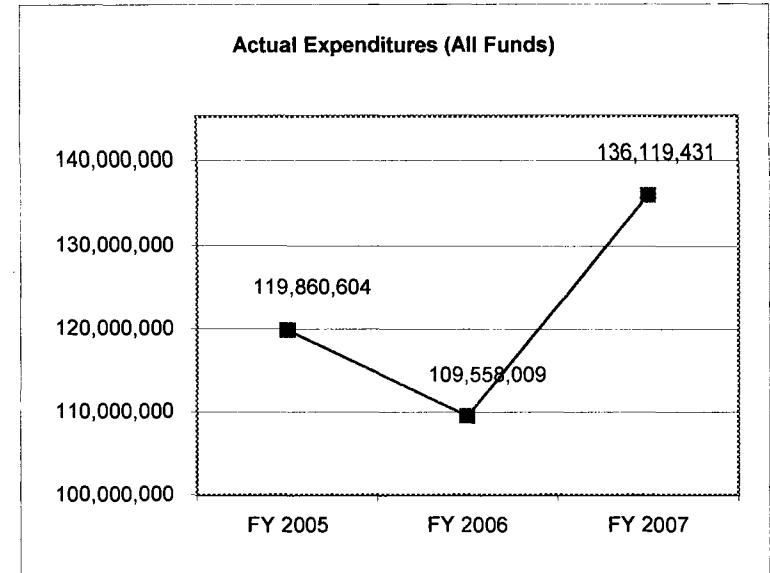
Funding provides Rehabilitation and Specialty services for the fee-for-service MO HealthNet population. In those regions of the state where MC+ Managed Care has been implemented enrollees have Rehab and Specialty services available through the MC+ Managed Care health plans.

## 3. PROGRAM LISTING (list programs included in this core funding)

Rehabilitation and Specialty Services

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	119,866,450	109,563,855	136,949,034	158,280,469
Less Reverted (All Funds)	(5,846)	(5,846)	(829,603)	N/A
Budget Authority (All Funds)	119,860,604	109,558,009	136,119,431	N/A
Actual Expenditures (All Funds)	119,860,604	109,558,009	136,119,431	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) FY 2005 appropriation reduced by \$9.4 million for elimination/reduction of specific services. Expenditures of \$21,784,471 paid from the Supplemental Pool.

(2) FY 2006 appropriation was reduced by \$13.4 million due to the elimination/reduction of services pursuant to SB 539. Expenditures were paid from other appropriations: \$22,835,407 paid from the Supplemental Pool; \$2,736,537 paid from Managed Care and \$243,750 from Pharmacy.

(3) Expenditures of \$3,017,949 were paid from the Supplemental Pool.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**REHAB AND SPECIALTY SERVICES**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				EE	0.00	599,000	599,000	0	1,198,000	
				PD	0.00	57,047,279	99,008,564	1,026,626	157,082,469	
				<b>Total</b>	<b>0.00</b>	<b>57,646,279</b>	<b>99,607,564</b>	<b>1,026,626</b>	<b>158,280,469</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	877	8205	PD	0.00		0	(10,932,712)	0	(10,932,712)	FMAP Adjustment
Core Reallocation	538	8204	EE	0.00		151,000	0	0	151,000	
Core Reallocation	538	8205	EE	0.00		0	151,000	0	151,000	
Core Reallocation	538	8204	PD	0.00		(151,000)	0	0	(151,000)	
Core Reallocation	538	8205	PD	0.00		0	(151,000)	0	(151,000)	
Core Reallocation	912	8205	PD	0.00		0	36,528,253	0	36,528,253	Transfer in from Children's Division Residential Treatment Services Title XIX component of Residential Treatment
Core Reallocation	912	8204	PD	0.00		5,606,265	0	0	5,606,265	Transfer in from Children's Division Residential Treatment Services Title XIX component of Residential Treatment
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>5,606,265</b>	<b>25,595,541</b>	<b>0</b>	<b>31,201,806</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	750,000	750,000	0	1,500,000	
				PD	0.00	62,502,544	124,453,105	1,026,626	187,982,275	
				<b>Total</b>	<b>0.00</b>	<b>63,252,544</b>	<b>125,203,105</b>	<b>1,026,626</b>	<b>189,482,275</b>	

## CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

REHAB AND SPECIALTY SERVICES

### 5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>								
Core Reduction	877	8205	PD	0.00	0	468,068	0	468,068 FMAP Adjustment
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>0</b>	<b>468,068</b>	<b>0</b>	<b>468,068</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>								
		EE	0.00	750,000	750,000	0	1,500,000	
		PD	0.00	62,502,544	124,921,173	1,026,626	188,450,343	
<b>Total</b>			<b>0.00</b>	<b>63,252,544</b>	<b>125,671,173</b>	<b>1,026,626</b>	<b>189,950,343</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	1,260,187	0.00	1,198,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL - EE	1,260,187	0.00	1,198,000	0.00	1,500,000	0.00	1,500,000	0.00
PROGRAM DISTRIBUTIONS	134,859,244	0.00	157,082,469	0.00	187,982,275	0.00	188,450,343	0.00
TOTAL - PD	134,859,244	0.00	157,082,469	0.00	187,982,275	0.00	188,450,343	0.00
<b>GRAND TOTAL</b>	<b>\$136,119,431</b>	<b>0.00</b>	<b>\$158,280,469</b>	<b>0.00</b>	<b>\$189,482,275</b>	<b>0.00</b>	<b>\$189,950,343</b>	<b>0.00</b>
GENERAL REVENUE	\$49,400,657	0.00	\$57,646,279	0.00	\$63,252,544	0.00	\$63,252,544	0.00
FEDERAL FUNDS	\$85,697,994	0.00	\$99,607,564	0.00	\$125,203,105	0.00	\$125,671,173	0.00
OTHER FUNDS	\$1,020,780	0.00	\$1,026,626	0.00	\$1,026,626	0.00	\$1,026,626	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payment for audiology, optometrics, durable medical equipment, ambulance, rehabilitation services, hospice, comprehensive day rehabilitation, disease management and diabetes self-management training for MO HealthNet participants. Unless otherwise noted, the rehabilitation and specialty services are covered only for eligibles who are under the age of 21, pregnant women, blind persons, or nursing facility residents.*

Audiology/Hearing Aid - This program is intended only to provide hearing aids and related covered services. Persons eligible for reimbursement of MO HealthNet Hearing Aid Program services include eligible needy children or persons receiving MO HealthNet benefits under a category of assistance for pregnant women or the blind. Covered services include: audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. An audiologist consultant gives prior authorization for the claims.

A participant is entitled to one new hearing aid and related services every four years. However, services for children under the EPSDT/HCY program are determined to be whatever is medically necessary. The EPSDT claims are reviewed by the consultant only if rejected by the computer system. Cost sharing, a charge for a small portion of the cost of services, applies to individuals age 18 and over with a few exceptions (foster care children and institutional residents).

Optical - The MO HealthNet Optometry program covers the following types of providers and services: (1) Optometrists, physicians (who can only bill for eyeglasses if they are enrolled as an optician), optometric clinics - eye examinations, eyeglasses, artificial eyes, and special ophthalmological services; and (2) Opticians - eyeglasses and artificial eyes. Prior authorization is needed for tints and some special tests. Participants who are under the age of 21, pregnant, blind, or in a nursing facility are allowed an eye exam every twelve months unless there is a diopter change of .50. All other MO HealthNet participants over the age of 21 are allowed an eye exam every two years. MO HealthNet eligible participants are allowed one pair of eye glasses every two years. Cost sharing, a charge for a small portion of the cost of the service, applies to individuals age 18 and over with a few exceptions (foster care children and institutional residents). An optometrist is used as a consultant for this program. The consultant reviews prescriptions that do not meet the program criteria and prices claims for special lenses and frames.

Durable Medical Equipment (DME) - MO HealthNet reimburses qualified participating DME providers for certain items of durable medical equipment such as: prosthetics, diabetic supplies and equipment, oxygen and respiratory care equipment, ostomy supplies, wheelchairs, wheelchair accessories, labor and repair codes. These items must be for use in the participant's home when ordered in writing by the participant's physician or nurse practitioner and are covered for all MO HealthNet participants.

The following items are covered for MO HealthNet participants: apnea monitors, artificial larynx and related items, augmentative communications devices, canes, crutches, commodes, bed pans, urinals, CPAP devices, decubitus care equipment, hospital beds, side rails, humidifiers, BiPAP machines, IPPB machines, nebulizers, orthotics, patient lifts and trapeze, scooters, suction pumps, total parenteral nutrition mix, supplies and equipment, and walkers.

Although an item is classified as DME, it may not be covered in every instance. Coverage is based on the fact that the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part, the equipment meets the definition of durable medical equipment or prosthesis, and the equipment is used in the participant's home.



Even though a DME item may serve some useful medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for MO HealthNet to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should also be given by the physician and the DME provider as to whether the item serves essentially the same purpose as equipment already available to the participant. If two different items each meet the need of the participant, the less expensive item must be employed, all other conditions being equal. Equipment features of an aesthetic or medical nature, which are not medically necessary, are not reimbursable.

Ambulance - Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge (the lesser of the MO HealthNet maximum allowed amount or billed charge) for patient pickup and transportation to destination (mileage for transporting a patient beyond the five miles is not included in the base charge), mileage, and ancillary services related to emergency situations. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary. All MO HealthNet participants are eligible for ambulance services.

Rehabilitation Center - The rehabilitation center program pays for adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation, stump conditioning, prosthetic training, and orthotic training, speech therapy for artificial larynx and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program.

Coverage of augmentative communication devices and training are covered and include the cost of the device, accessories, evaluation, and training. Training is also covered for the following prosthetic devices: artificial arms, artificial legs, artificial larynx, and orthotics.

Hospice - The hospice benefit is designed to meet the needs of patients with a life-limiting illness and to help their families cope with the problems and feelings related to this difficult time. Reimbursement is limited to qualified MO HealthNet enrolled hospice providers rendering services to terminally ill patients who have elected hospice benefits. After the participant elects hospice services, the hospice provides for all care, supplies, equipment, and medicines related to the terminal illness. MO HealthNet reimburses the hospice provider who then reimburses the provider of the services if the services are not provided by the hospice provider.

MO HealthNet reimburses for routine home care, continuous home care, general inpatient, inpatient respite, and nursing home room and board, if necessary. Hospice rates are authorized by Section 1814 (I)(1)(C)(ii) of the Social Security Act and provide for an annual increase in the payment rates for hospice care services. The MO HealthNet rates are calculated based on the annual hospice rates established by Medicare. In addition, the Social Security Act also provides for an annual increase in the hospice cap amounts. Nursing Home room and board is reimbursed to the hospice provider at 95% of the nursing home rate on file. The hospice is responsible for paying the nursing home. All MO HealthNet participants are eligible for hospice services.

Comprehensive Day Rehabilitation - This program covers services for certain persons with disabling impairments as the result of a traumatic head injury. It provides intensive, comprehensive services designed to prevent and/or minimize chronic disabilities while restoring the individual to an optimal level of physical, cognitive, and behavioral function within the context of the person, family, and community.

The program emphasizes functional living skills, adaptive strategies for cognitive, memory or perceptual deficits, and appropriate interpersonal skills. These services help to train individuals so that the person can leave the rehabilitation center and re-enter society. Services are designed to maintain and improve the participant's ability to function as independently as possible in the community. Services for this program must be provided in a free-standing rehabilitation center or in an acute hospital setting with space dedicated to head injury rehabilitation. Eligibility for this program is limited to individuals who are under the age of 21, pregnant women, blind persons or nursing home residents. These individuals must receive prior authorization from the MO HealthNet Division. Reimbursement is made for either a full day or a half day of services.

**Disease Management** - This program was designed to improve the healthcare of patients who suffer from chronic conditions such as asthma, diabetes, heart failure, and depression. Physicians and pharmacists work as a team to achieve these primary goals: improve patient care, improve health outcomes, reduce inpatient hospitalization, reduce emergency room visits, lower total costs, and better educate patients and providers. All MO HealthNet participants are eligible for disease management services with chronic conditions as previously mentioned.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170

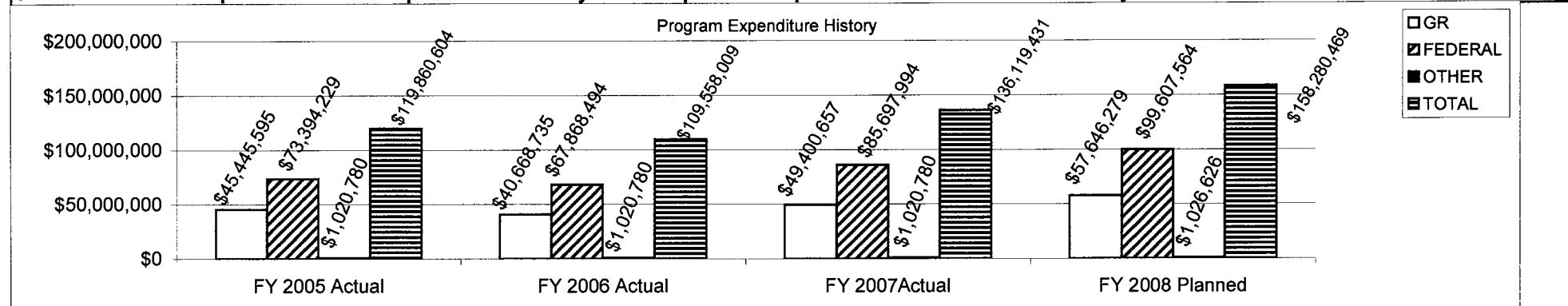
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

This program is not mandatory for adults but is mandatory for children.

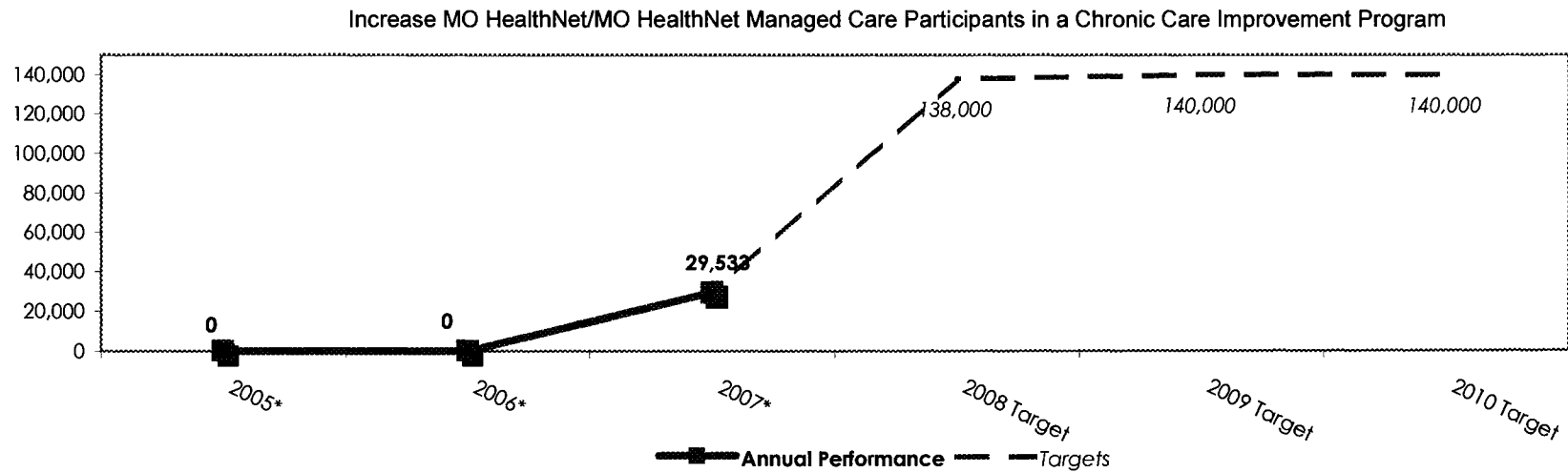
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Health Initiatives Fund (0275), Healthy Families Trust Fund-Health Care Account (0640) thru FY 07 and Healthy Families Trust Fund (0625) in FY 08.

**7a. Provide an effectiveness measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

**Eligibles:**

Rehab and specialty services are available to certain MO HealthNet participants who are under the age of 21, pregnant, blind or reside in a nursing home. In those regions of the state where MC+ managed care has been implemented enrollees have rehab and specialty services available through the MC+ managed care health plans.

Average Monthly Users of Rehab and Specialty Services		
SFY	Actual	Projected
2005	51,178	53,524
2006	45,849	8,526
2007	45,547	45,391
2008		45,641
2009		45,641
2010		45,641

Average Monthly DME Users		
SFY	Actual	Projected
2005	25,327	28,534
2006	24,617	2,139
2007	23,410	23,031
2008		23,031
2009		23,031
2010		23,031

Average Monthly Hospice Users		
SFY	Actual	Projected
2005	1,317	1,038
2006	1,295	1,305
2007	1,518	1,305
2008		1,305
2009		1,305
2010		1,305

**7d. Provide a customer satisfaction measure, if available.**



**NEW DECISION ITEM**

**RANK: 15**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Hospice Rate Increase**

**Budget Unit: 90550C**

**DI#: 1886011**

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	155,677	264,479		420,156
TRF				
<b>Total</b>	<b>155,677</b>	<b>264,479</b>		<b>420,156</b>

**FTE** **0.00**

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Fed	Other	Total
PS				
EE				
PSD	155,458	264,698		420,156
TRF				
<b>Total</b>	<b>155,458</b>	<b>264,698</b>		<b>420,156</b>

**FTE** **0.00**

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

*NDI SYNOPSIS: Funding to apply annual hospice rate increase as established by Medicare.*

The MO HealthNet hospice rates are calculated based on the annual hospice rates established under Medicare, Section 1814(j)(1)(ii). The Act provides for an annual increase in payment rates for hospice care services.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of the hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages.

A 3.3% increase is requested. This is the actual increase for FY 08. The rate of growth based on prior years was applied to actual FY 07 units to arrive at the FY 09 projected units of service. The projected units of services was multiplied by the projected increase in rates to arrive at the total need.

Hospice rates are adjusted in October which is the beginning of the federal fiscal year. This is three months into the state's fiscal year. This request includes the three months of FFY 08 that fall within SFY 09 - estimated impact of \$98,905. The twelve-months estimated increase for the FY 09 rate adjustment is \$428,334. This total is then divided by 9/12 to arrive at the SFY 09 impact of \$321,251. The total request for SFY 09 is \$420,156 (3 months totaling \$98,905 plus 9 months totaling \$321,251).

	Total	GR	Federal
July 2008 through Sept. 2008 Inc	98,905	37,168	61,737
Oct. 2008 through June 2009 Inc	321,251	118,509	202,742
Total	420,156	155,677	264,479

Governor's Recommendation:

Governor's Recommendation includes updated FMAP.

	Total	GR	Federal
July 2008 through Sept. 2008 Inc	98,905	36,595	62,310
Oct. 2008 through June 2009 Inc	321,251	118,863	202,388
Total	420,156	155,458	264,698

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	155,677		264,479				420,156		
Total PSD	155,677		264,479		0		420,156		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	155,677	0.0	264,479	0.0	0	0.0	420,156	0.0	0

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	155,458		264,698				420,156		
Total PSD	155,458		264,698		0		420,156		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	155,458	0.0	264,698	0.0	0	0.0	420,156	0.0	0



**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b.**

**6c. Provide the number of clients/individuals served, if applicable.**

Hospice Units of Service						
	FY 05	FY 06	FY 07	FY 08*	FY 09*	FY 10*
Routine Home Care	55,793	69,746	73,880	78,261	82,902	87,818
Continuous Home Care	259	1,639	1,520	1,750	2,015	2,320
Inpatient Respite	93	60	96	62	99	64
General Inpatient Care	244	313	574	736	944	1,211
NF Room and Board	385,676	495,841	567,233	648,915	742,359	849,259

\*Projected

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Work with the Department of Health and Senior Services (DHSS) and Personal Independence Commission (PIC) to develop outreach materials and training on providing informed choice about long term care options.
- Make training available to hospital discharge planners regarding community options by incorporating it into the Informed Choice Training program.
- Plan a process that would allow an individual discharged from the hospital to a nursing home (for recovery) to maintain existing community supports to ensure best possible chance of returning to the community.
- Work to make program modifications that allow an array of options which support consumer choice in community based service delivery.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
Hospice Rate Increase - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	420,156	0.00	420,156	0.00
TOTAL - PD	0	0.00	0	0.00	420,156	0.00	420,156	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$420,156</b>	<b>0.00</b>	<b>\$420,156</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$155,677	0.00	\$155,458	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$264,479	0.00	\$264,698	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



**NEW DECISION ITEM  
RANK: 33**

Department: Social Services  
Division: MO HealthNet  
DI Name: Electronic Prior Authorization System for DME Services

Budget Unit: 90550C  
DI#: 1886023

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE	1,250,000	1,250,000		2,500,000
PSD				
TRF				
<b>Total</b>	<b>1,250,000</b>	<b>1,250,000</b>		<b>2,500,000</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE		1,250,000	1,250,000	2,500,000
PSD				
TRF				
<b>Total</b>		<b>1,250,000</b>	<b>1,250,000</b>	<b>2,500,000</b>
<b>FTE</b>				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Health Care Technology Fund (0170)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: This funding is requested to provide additional CyberAccess services to DME providers.

SB 577 requires an electronic prior authorization system for DME services.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The electronic PA for DME services is providing additional CyberAccess to DME providers. The cost is calculated based on the estimated number of providers who will use technology to provide the benefit. The current cost of CyberAccess is \$125,000 per quarter per each 100 providers. MHD estimates that 500 additional providers will use CyberAccess at a cost of \$2,500,000 ( $\$125,000 \times 4 = \$500,000$  (annual)  $\times 500$  additional providers = \$2,500,000). This funding will allow the continuing support for the implementation of the pre-certification through CyberAccess. The funds are primarily for provider training and deployment but will also support algorithm development. The return on investment as well as the enhanced clinical support will be integral to the development of MO HealthNet.

CyberAccess is the foundation for all of the Division's transparent interoperable pharmacy fiscal and clinical edits, psychology clinical reviews, medical pre-certifications, and DME pre-certifications. Without out this funding, the cost savings for these initiatives would be lost and a significant increase in expenditures would result in all service appropriation lines.

	Total	GR	Federal
Clinical Services Program Mgmt	\$2,500,000	\$1,250,000	\$1,250,000

Governor's Recommendation:

The Governor's Recommendation changes the funding source.

	Total	Federal	Other
Clinical Services Program Mgmt	\$2,500,000	\$1,250,000	\$1,250,000

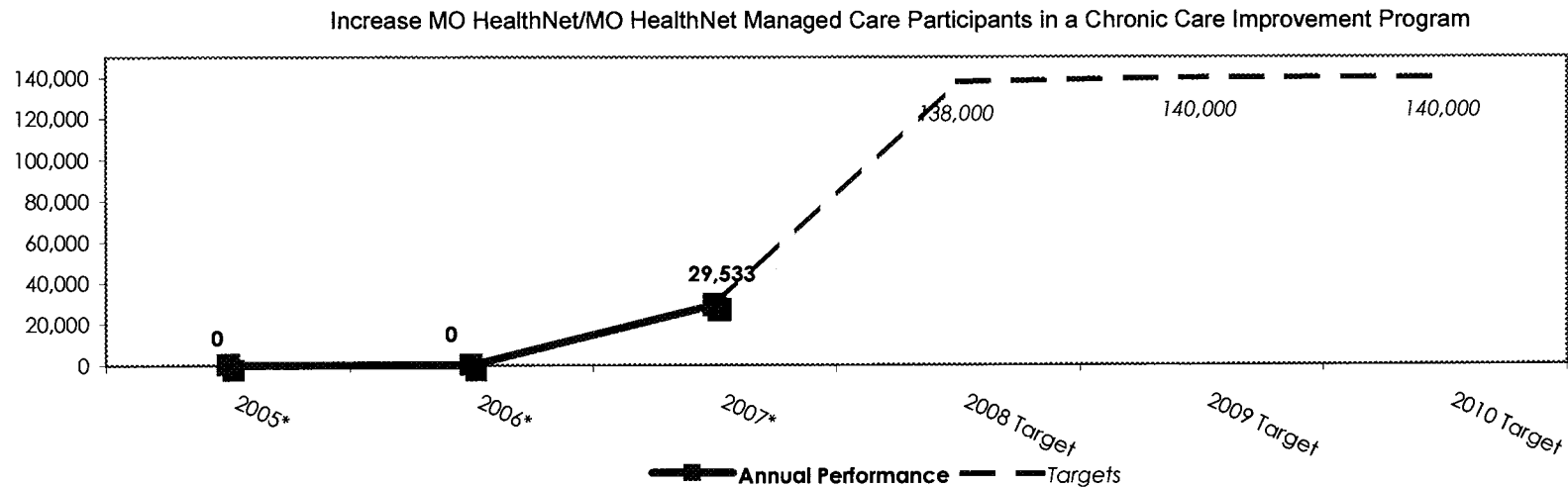
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)	1,250,000		1,250,000				2,500,000		
Total EE	1,250,000		1,250,000		0		2,500,000		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	1,250,000	0.0	1,250,000	0.0	0	0.0	2,500,000	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Professional Services (400)			1,250,000		1,250,000		2,500,000		
Total EE	0		1,250,000		1,250,000		2,500,000		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	1,250,000	0.0	1,250,000	0.0	2,500,000	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**6c.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

#### **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

Continue outreach efforts through participant mailings and direct promotion by their current practitioners.

Dedicated help desk for participant support.

Focus on clinical areas for improvement and provide clinical education where appropriate.

Reinforce clinical areas for improvement and provide clinical education where appropriate.

Dedicated help desk for provider support.



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>REHAB AND SPECIALTY SERVICES</b>								
Electronic PA for DME Services - 1886023								
PROFESSIONAL SERVICES	0	0.00	0	0.00	2,500,000	0.00	2,500,000	0.00
TOTAL - EE	0	0.00	0	0.00	2,500,000	0.00	2,500,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,500,000</b>	<b>0.00</b>	<b>\$2,500,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,250,000	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,250,000	0.00	\$1,250,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$1,250,000	0.00



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	10,339,683	0.00	12,014,168	0.00	11,785,206	0.00	11,766,125	0.00
TITLE XIX-FEDERAL AND OTHER	21,008,731	0.00	26,246,271	0.00	26,246,271	0.00	26,246,271	0.00
TOTAL - PD	31,348,414	0.00	38,260,439	0.00	38,031,477	0.00	38,012,396	0.00
<b>TOTAL</b>	<b>31,348,414</b>	<b>0.00</b>	<b>38,260,439</b>	<b>0.00</b>	<b>38,031,477</b>	<b>0.00</b>	<b>38,012,396</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	8,256	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	14,021	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	22,277	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>22,277</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>NEMT Rate Increase - 1886012</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	906,951	0.00	905,483	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,540,300	0.00	1,541,768	0.00
TOTAL - PD	0	0.00	0	0.00	2,447,251	0.00	2,447,251	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,447,251</b>	<b>0.00</b>	<b>2,447,251</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	228,962	0.00	248,043	0.00
TOTAL - PD	0	0.00	0	0.00	228,962	0.00	248,043	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>228,962</b>	<b>0.00</b>	<b>248,043</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$31,348,414</b>	<b>0.00</b>	<b>\$38,260,439</b>	<b>0.00</b>	<b>\$40,729,967</b>	<b>0.00</b>	<b>\$40,707,690</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Appropriation: Non-Emergency Medical transportation (NEMT)

Budget Unit: 90561C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	11,785,206	26,246,271		38,031,477
TRF				
Total	11,785,206	26,246,271		38,031,477
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	11,766,125	26,246,271		38,012,396
TRF				
Total	11,766,125	26,246,271		38,012,396
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

## 2. CORE DESCRIPTION

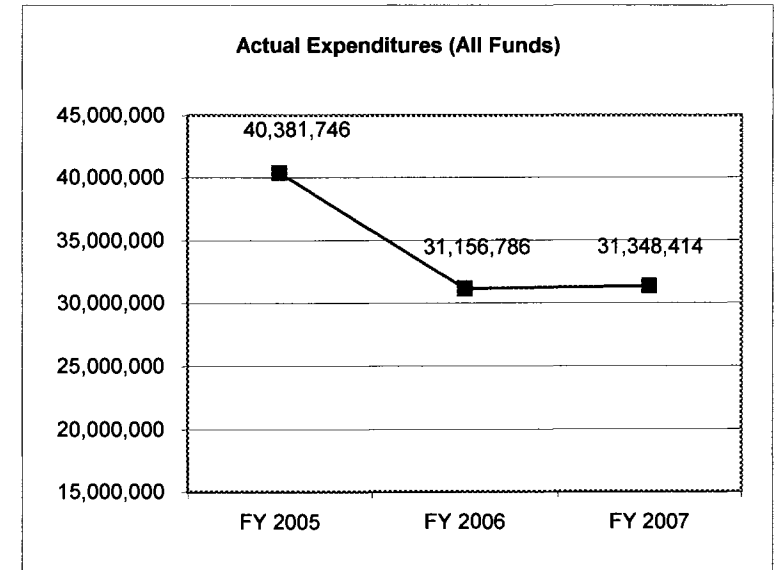
This core request is to provide funding for payments for non-emergency medical transportation.

## 3. PROGRAM LISTING (list programs included in this core funding)

Non-Emergency Medical Transportation (NEMT)

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	40,960,501	32,643,668	35,512,557	38,260,439
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	40,960,501	32,643,668	35,512,557	N/A
Actual Expenditures (All Funds)	40,381,746	31,156,786	31,348,414	N/A
Unexpended (All Funds)	578,755	1,486,882	4,164,143	N/A
Unexpended, by Fund:				
General Revenue	916	0	729,911	N/A
Federal	577,839	1,486,882	3,434,232	N/A
Other	0	0	0	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Excess federal authority - funded as a program (60/40) but received administrative match (50/50).

(2) Lapse of \$1.5 million in Federal. Funded as a program (60/40) but received administrative match (50/50) first four months then received program match for the remainder of the year. Expenditures of \$5,560,655 were paid from the Supplemental Pool.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**NON-EMERGENCY TRANSPORT**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				PD	0.00	12,014,168	26,246,271	0	38,260,439	
				<b>Total</b>	<b>0.00</b>	<b>12,014,168</b>	<b>26,246,271</b>	<b>0</b>	<b>38,260,439</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	878	5928		PD	0.00	(228,962)	0	0	(228,962)	FMAP Adjustment
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(228,962)</b>	<b>0</b>	<b>0</b>	<b>(228,962)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	11,785,206	26,246,271	0	38,031,477	
				<b>Total</b>	<b>0.00</b>	<b>11,785,206</b>	<b>26,246,271</b>	<b>0</b>	<b>38,031,477</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	878	5928		PD	0.00	(19,081)	0	0	(19,081)	FMAP Adjustment
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(19,081)</b>	<b>0</b>	<b>0</b>	<b>(19,081)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	11,766,125	26,246,271	0	38,012,396	
				<b>Total</b>	<b>0.00</b>	<b>11,766,125</b>	<b>26,246,271</b>	<b>0</b>	<b>38,012,396</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	31,348,414	0.00	38,260,439	0.00	38,031,477	0.00	38,012,396	0.00
TOTAL - PD	31,348,414	0.00	38,260,439	0.00	38,031,477	0.00	38,012,396	0.00
<b>GRAND TOTAL</b>	<b>\$31,348,414</b>	<b>0.00</b>	<b>\$38,260,439</b>	<b>0.00</b>	<b>\$38,031,477</b>	<b>0.00</b>	<b>\$38,012,396</b>	<b>0.00</b>
GENERAL REVENUE	\$10,339,683	0.00	\$12,014,168	0.00	\$11,785,206	0.00	\$11,766,125	0.00
FEDERAL FUNDS	\$21,008,731	0.00	\$26,246,271	0.00	\$26,246,271	0.00	\$26,246,271	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



## PROGRAM DESCRIPTION

Department: Social Services

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payments for non-emergency medical transportation for MO HealthNet participants who do not have access to free transportation to scheduled MO HealthNet covered services.*

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants who do not have access to free appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. As of November 2005, the service is provided as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT eligible based on which of the four regions of the state in which the participant resides.

Missouri's program utilizes and builds on the existing transportation networks in the state. Managed Care providers are required to include NEMT in their benefit package.

Where appropriate and possible, the MO HealthNet Division enters into cooperative agreements to provide matching MO HealthNet funds for state and local general revenue already being used to transport MO HealthNet eligible individuals to medical services. Participants are encouraged to use public entity transportation when available. When they do so, the payments are made by public entities on a per trip basis. By working with existing governmental entities and established transportation providers, NEMT is provided in a cost-effective manner and governmental agencies are able to meet the needs of their constituency.

The MO HealthNet Division works with the following state agencies to provide federal matching funds for general revenue used for NEMT services: the Children's Division for children in state care and custody, DHSS Division of Senior Services, the Area Agencies on Aging (AAA), the Department of Mental Health, and school districts.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, Federal regulation: 42 CFR 431.53 and 440.170

### 3. Are there federal matching requirements? If yes, please explain.

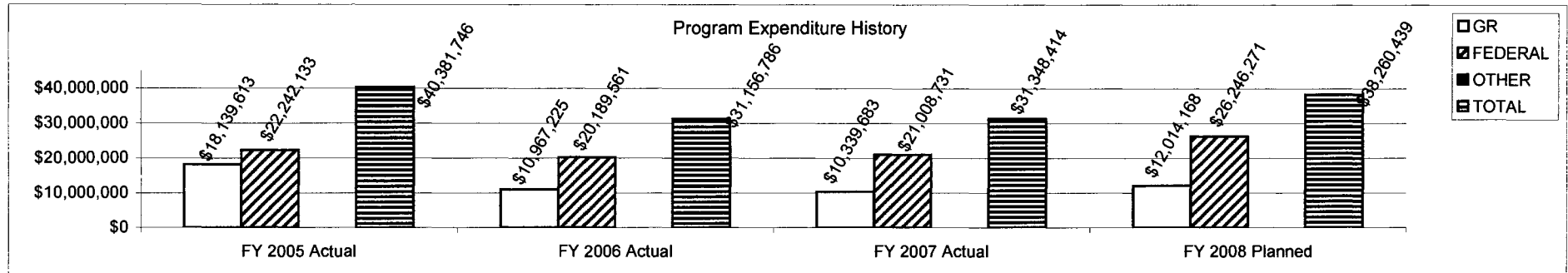
NEMT services receive a federal medical assistance percentage (FMAP) on program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

Services provided through public entities use state and local general revenue to transport MO HealthNet participants. MO HealthNet provides payment of the federal share for these services. These expenditures earn a 50% federal match.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, state Medicaid programs must assure availability of medically necessary transportation.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

Provider	NEMT Payments			
	FY 2004	FY 2005	FY 2006	FY 2007
Private Contractor - MTM	\$ 38,006,750	\$36,277,873	\$17,088,584	\$ -
Private Contractor - Logisticare	\$ -	\$ -	\$15,087,581	\$26,985,709
Public Entities (Federal Only)	\$ 3,624,327	\$ 4,103,875	\$ 4,542,243	\$4,362,701
Total	\$41,631,077	\$40,381,748	\$36,718,408	\$31,348,410

Average Number of Trip (per Month)		
Provider	SFY	Trips
MTM	2004	65,348
MTM	2005	60,022
MTM	2006 *	60,842
Logisticare	2006**	85,852
Logisticare	2007***	77,331

\* Four month average

\*\* Eight month average

\*\*\* Twelve month average

Logisticare trips are net authorized.

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Non-emergency medical transportation is available to MO HealthNet participants who are eligible under a federal aid category. Those eligibles participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. NEMT is included in MC+ Managed Care health benefits. Prior to November, 2005 payments were made only for services that were provided. Since then capitated payments are made for all participants. The number of eligibles reported in FY 2006 is an average monthly number of people for whom capitated payments were made.

Average Monthly NEMT Participants		
SFY	Actual	Projected
*2006	419,558	
2007	440,695	
2008		462,419
2009		425,302
2010		425,302

There were 314,809 NEMT public entity trips taken in FY 2007.

**7d. Provide a customer satisfaction measure, if available.**



**NEW DECISION ITEM  
RANK: 16**

Department: Social Services  
Division: MO HealthNet  
DI Name: NEMT Rate Increase

Budget Unit: 90561C  
DI#: 1886012

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	906,951	1,540,300		2,447,251
TRF				
Total	<u>906,951</u>	<u>1,540,300</u>		<u>2,447,251</u>
FTE				0.00

<b>Est. Fringe</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD	905,483	1,541,768		2,447,251
TRF				
Total	<u>905,483</u>	<u>1,541,768</u>		<u>2,447,251</u>
FTE				0.00

<b>Est. Fringe</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: Funding to apply an inflationary adjustment to the capitated rates for non-emergency transportation provided through a contractor.

This funding is needed to apply an inflation cost and utilization increase (9.1%) for services provided through a contractor as required by CMS in developing actuarially sound rates. State statutory authority for this program is RSMo. 208.152 and federal regulatory authority is 42 CFR 431.53 and 440.170.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

A statewide average increase (9.1%) for NEMT services provided through a contractor was developed by the MO HealthNet Division's actuary and is in accordance with actuarially sound standards set by the CMS. This increase was applied to the projected number of eligibles to arrive at the total increase of \$2,447,251 for this portion of the program.

	Rate FY08	Est Rate FY09	Increase	Projected FTE FY09	Total
ABD Region1	\$8.63	\$9.42	\$0.79	639,248	\$505,006.00
ABD Region 2	\$7.91	\$8.68	\$0.77	363,026	\$279,530.00
ABD Region 3	\$12.13	\$13.12	\$0.99	1,466,601	\$1,451,935.00
MAFCP All Regions	\$0.82	\$0.90	\$0.08	2,634,747	\$210,780.00
					<u>\$2,447,251.00</u>

	Total	GR	Federal
NEMT Rate Increase	2,447,251	906,951	1,540,300

Governor's Recommendation:

The Governor's Recommendation changed because of FMAP changes.

	Total	GR	Federal
NEMT Rate Increase	2,447,251	905,483	1,541,768

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	906,951		1,540,300				2,447,251		
<b>Total PSD</b>	<b>906,951</b>		<b>1,540,300</b>		0		<b>2,447,251</b>		0
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	<b>906,951</b>	<b>0.0</b>	<b>1,540,300</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>2,447,251</b>	<b>0.0</b>	<b>0</b>

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	905,483		1,541,768				2,447,251		
<b>Total PSD</b>	<b>905,483</b>		<b>1,541,768</b>		0		<b>2,447,251</b>		0
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	<b>905,483</b>	<b>0.0</b>	<b>1,541,768</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>2,447,251</b>	<b>0.0</b>	<b>0</b>

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

NEMT Payments					
Provider	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Private Contractor - MTM	\$30,520,787	\$38,006,750	\$36,277,873	\$17,088,584	\$0
Private Contractor - Logisticare	\$0	\$0	\$0	\$15,087,581	\$26,985,709
Public Entities (Federal Only)	\$2,361,145	\$3,624,327	\$4,103,875	\$4,542,243	\$4,362,701
Total	\$32,881,932	\$41,631,077	\$40,381,748	\$36,718,408	\$31,348,410

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

Average Monthly NEMT Participants		
SFY	Actual	Projected
2006	419,558	
2007	440,695	
2008		462,419
2009		425,302
2010		425,302

Non-emergency medical transportation is available to all MO HealthNet participants except SCHIP and Womens' Health Access eligibles. NEMT is included in MC+ Managed Care health benefits. Prior to November, 2005 payments were made only for services that were provided. Since then capitated payments are made for all eligible participants. The number of eligibles reported beginning in FY 2006 is an average monthly number of people for whom capitated payments were made.

There were 314,809 public entity trips taken in FY 07.

**6d. Provide a customer satisfaction measure, if available.**



## **7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Identify providers currently serving the targeted population to invite them to participate in the chronic care improvement program.
- Make personal visits with providers to explain the program and assist with enrollment paperwork.
- Focus on clinical benefits of their participation as well as showing providers the financial incentives.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Dedicated help desk for provider support.
- Evaluate edits causing the largest denials.
- Post on the Internet the most common billing errors and how to avoid them.
- Conduct provider education seminars.
- Assure provider manuals are updated timely.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NON-EMERGENCY TRANSPORT</b>								
NEMT Rate Increase - 1886012								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,447,251	0.00	2,447,251	0.00
TOTAL - PD	0	0.00	0	0.00	2,447,251	0.00	2,447,251	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,447,251</b>	<b>0.00</b>	<b>\$2,447,251</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$906,951	0.00	\$905,483	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,540,300	0.00	\$1,541,768	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	173,972,073	0.00	209,065,144	0.00	201,871,966	0.00	201,272,368	0.00
TITLE XIX-FEDERAL AND OTHER	473,254,464	0.00	621,785,281	0.00	621,785,281	0.00	621,785,281	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	97,739,259	0.00	109,065,009	0.00	109,065,009	0.00	109,065,009	0.00
MEDICAID MNG CARE ORG REIMB AL	12,499,119	0.00	45,912,625	0.00	43,906,816	0.00	45,912,625	0.00
HEALTH INITIATIVES	8,783,428	0.00	9,055,080	0.00	9,055,080	0.00	8,055,080	0.00
HEALTHY FAMILIES TRUST	0	0.00	4,447,110	0.00	4,447,110	0.00	4,447,110	0.00
HFT-HEALTH CARE ACCT	4,447,110	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	770,695,453	0.00	999,330,249	0.00	990,131,262	0.00	990,537,473	0.00
<b>TOTAL</b>	<b>770,695,453</b>	<b>0.00</b>	<b>999,330,249</b>	<b>0.00</b>	<b>990,131,262</b>	<b>0.00</b>	<b>990,537,473</b>	<b>0.00</b>
<b>Provider Tax GR Replacement - 1886001</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,005,809	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,005,809	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,005,809</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,176,715	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,998,447	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	3,175,162	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>3,175,162</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>Managed Care Rate Increase - 1886009</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	35,859,504	0.00	35,801,448	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	60,901,166	0.00	60,959,222	0.00
TOTAL - PD	0	0.00	0	0.00	96,760,670	0.00	96,760,670	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>96,760,670</b>	<b>0.00</b>	<b>96,760,670</b>	<b>0.00</b>

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
CtoC SB 577 Adult Dental/Optom - 1886029								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,714,424	0.00	2,710,029	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	4,609,980	0.00	4,614,375	0.00
TOTAL - PD	0	0.00	0	0.00	7,324,404	0.00	7,324,404	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>7,324,404</b>	<b>0.00</b>	<b>7,324,404</b>	<b>0.00</b>
FMAP - 1886014								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	7,193,178	0.00	7,792,776	0.00
TOTAL - PD	0	0.00	0	0.00	7,193,178	0.00	7,792,776	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>7,193,178</b>	<b>0.00</b>	<b>7,792,776</b>	<b>0.00</b>
Physicians Services Rate Incr - 1886034								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	6,928,609	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	11,797,362	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	18,725,971	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>18,725,971</b>	<b>0.00</b>
Dental Rate Increase - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,211,123	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	2,062,182	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,273,305	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>3,273,305</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$770,695,453</b>	<b>0.00</b>	<b>\$999,330,249</b>	<b>0.00</b>	<b>\$1,106,590,485</b>	<b>0.00</b>	<b>\$1,124,414,599</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Managed Care

Budget Unit: 90551C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	201,871,966	621,785,281	166,474,015	990,131,262
TRF				
Total	<u>201,871,966</u>	<u>621,785,281</u>	<u>166,474,015</u>	<u>990,131,262</u> E
FTE				0.00

<i>Est. Fringe</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)  
Medicaid Managed Care Organization Reimb Allowance Fund (0160)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Healthy Families Trust Fund (0625)

Note: An "E" is requested for Medicaid Managed Care Organization Reimbursement Allowance authority.

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	201,272,368	621,785,281	167,479,824	990,537,473
TRF				
Total	<u>201,272,368</u>	<u>621,785,281</u>	<u>167,479,824</u>	<u>990,537,473</u> E
FTE				0.00

<i>Est. Fringe</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Health Initiatives Fund (HIF) (0275)  
Medicaid Managed Care Organization Reimb Allowance Fund (0160)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Healthy Families Trust Fund (0625)

Note: An "E" is requested for Medicaid Managed Care Organization Reimbursement Allowance authority.

## 2. CORE DESCRIPTION

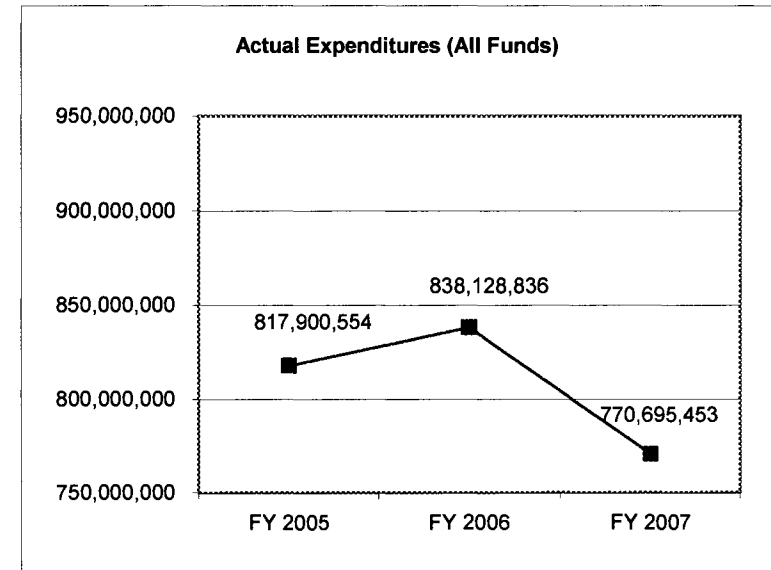
This core request is for the continued funding of the Managed Care program to provide health care services to the MO HealthNet managed care population.

## 3. PROGRAM LISTING (list programs included in this core funding)

Managed Care

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	824,737,006	890,532,310	911,897,488	999,330,249
Less Reverted (All Funds)	(253,924)	(98,241)	(271,652)	N/A
Budget Authority (All Funds)	824,483,082	890,434,069	911,625,836	N/A
Actual Expenditures (All Funds)	817,900,554	838,128,836	770,695,453	N/A
Unexpended (All Funds)	6,582,528	52,305,233	140,930,383	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	6,582,528	42,958,126	94,185,318	N/A
Other	0	0	46,745,065	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Expenditures of \$4,447,408 (GR) paid from the Supplemental Pool.

(2) Lapse in Other: \$98,241 in FRA; \$165,020 in HFT; and, \$9.2 million in MC-FRA. FY 2006 is the first year of the managed care tax so there was only 11 months of collections. Therefore, there was not enough cash to support the MC-FRA funding authority.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES MANAGED CARE

#### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				PD	0.00	209,065,144	621,785,281	168,479,824	999,330,249	
				<b>Total</b>	<b>0.00</b>	<b>209,065,144</b>	<b>621,785,281</b>	<b>168,479,824</b>	<b>999,330,249</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	879	1783	PD		0.00	(7,193,178)	0	0	(7,193,178)	
Core Reduction	895	0803	PD		0.00	0	0	(2,005,809)	(2,005,809)	Core cut - MC provider tax cap from 6.0% to 5.5% (6 mos impact; 6 mos FY08) (GR pick-up NDI)
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(7,193,178)</b>	<b>0</b>	<b>(2,005,809)</b>	<b>(9,198,987)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	201,871,966	621,785,281	166,474,015	990,131,262	
				<b>Total</b>	<b>0.00</b>	<b>201,871,966</b>	<b>621,785,281</b>	<b>166,474,015</b>	<b>990,131,262</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	879	1783	PD		0.00	(599,598)	0	0	(599,598)	
Core Reduction	895	0803	PD		0.00	0	0	2,005,809	2,005,809	Core cut - MC provider tax cap from 6.0% to 5.5% (6 mos impact; 6 mos FY08) (GR pick-up NDI)
Core Reduction	2499	1785	PD		0.00	0	0	(1,000,000)	(1,000,000)	
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(599,598)</b>	<b>0</b>	<b>1,005,809</b>	<b>406,211</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	201,272,368	621,785,281	167,479,824	990,537,473	
				<b>Total</b>	<b>0.00</b>	<b>201,272,368</b>	<b>621,785,281</b>	<b>167,479,824</b>	<b>990,537,473</b>	



# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	770,695,453	0.00	999,330,249	0.00	990,131,262	0.00	990,537,473	0.00
TOTAL - PD	770,695,453	0.00	999,330,249	0.00	990,131,262	0.00	990,537,473	0.00
<b>GRAND TOTAL</b>	<b>\$770,695,453</b>	<b>0.00</b>	<b>\$999,330,249</b>	<b>0.00</b>	<b>\$990,131,262</b>	<b>0.00</b>	<b>\$990,537,473</b>	<b>0.00</b>
GENERAL REVENUE	\$173,972,073	0.00	\$209,065,144	0.00	\$201,871,966	0.00	\$201,272,368	0.00
FEDERAL FUNDS	\$473,254,464	0.00	\$621,785,281	0.00	\$621,785,281	0.00	\$621,785,281	0.00
OTHER FUNDS	\$123,468,916	0.00	\$168,479,824	0.00	\$166,474,015	0.00	\$167,479,824	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Managed Care**

**Program is found in the following core budget(s): Managed Care**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides funding for capitation payments to managed care plans on behalf of MC+ eligibles enrolled in managed care.*

The MO HealthNet Division operates an HMO-style managed care program, MO HealthNet Managed Care. Health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee. Participation in Managed Care is mandatory for certain Medicaid eligibility groups within the regions in operation. The mandatory groups are: Medical Assistance for Families-Adults and Children, MO HealthNet for Children, Refugees, MO HealthNet for Pregnant Women, Children in State Care and Custody, and State Children's Health Insurance Program (SCHIP). Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in Managed Care or may choose to receive services on a fee-for-service basis. The Managed Care program is currently operating in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the Managed Care program in seventeen counties contiguous to the existing three Managed Care regions.

The Managed Care program is subject to an approved federal 1915(b) waiver and an approved SCHIP State Plan Amendment. These include a cost projection and a budget neutrality projection. An independent evaluation of the Managed Care program is required with respect to access to care and quality of services that must be submitted to the Centers for Medicare and Medicaid Services. At the end of the waiver period, or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

Objectives of the MO HealthNet Managed Care program include cost effectiveness, quality of care, contract compliance, and member satisfaction.

Services: In Managed Care most enrollees receive all the services that the fee-for-service program offers. Examples of services included in the capitation payment paid to health plans are: hospital, physician, pharmacy, emergency medical services, EPSDT services, family planning services, dental, optical, audiology, personal care, adult day health care and mental health services. Certain services are provided on a fee-for-service basis outside of the capitation payment such as transplants, and physical, occupational and speech therapy for children if included in an Individual Education Plan or Individualized Family Service Plan. Department of Health and Senior Services testing services (tests on newborns), certain mental health services, including ICF/MR, community psychiatric rehabilitation services, CSTAR services, and mental health services for children in care and custody are also offered on a fee-for-service basis.

Improvements Over Fee-For-Service: Managed Care gives MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each Managed Care enrollee chooses a health plan and a primary care provider from within the network of the health plan. Managed Care enrollees are guaranteed access to primary care and other services, as needed. Health plans must ensure that routine exams are scheduled within thirty days, urgent care scheduled within twenty-four hours, and emergency services must be available at all times. Managed Care health plans must ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary services. Managed Care health plans are required to provide case management to ensure that enrollee services, especially children's and pregnant women's, are properly coordinated. Managed Care provides the means to control costs, but more importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes.

**Quality Assessment:** The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor ① health care services provided to Managed Care members by the health plans, and ② compliance with federal, state and contract requirements. The health plans must meet program standards for quality improvement, systems, member services, provider services, record keeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the Managed Care contracts. Quality assessment measures will be taken from HEDIS (Health Plan Employer and Data Information Set) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children, who make up the majority of Managed Care enrollees. HEDIS is intended to be used collaboratively by the state agency and health plans to:

- ♦ Provide the state agency with information on the performance of the contracted health plans;
- ♦ Assist health plans in quality improvement efforts;
- ♦ Support emerging efforts to inform MO HealthNet clients about managed care plan performance;
- ♦ Promote standardization of health plan reporting across the public and private sectors.

An annual report is provided with significant outcomes measured, including the following:

- ♦ Member complaints and grievances including actions taken and reasons for members changing health plans;
- ♦ Utilization review including inpatient/outpatient visits for both physical and mental health;
- ♦ Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- ♦ EPSDT activities (children's health services) such as the number of well child visits provided;
- ♦ Prenatal activities and services provided.

**Contract Compliance:** Along with quality assessment, monitoring health plan compliance to contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The division has a relationship with the Missouri Department of Insurance to analyze health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

**Member Satisfaction:** Member satisfaction with the health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their health plan versus the Division assigning them to health plans. Managed Care has a high voluntary choice percentage. Since the inception of the Managed Care program, less than 10% of enrollees are randomly assigned. Reporting has been developed to continuously monitor how many participants initially choose their health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among health plans to identify health plans that have particular problems keeping their enrollees. The Division also looks at the number of calls coming into our participant and provider hot lines to assess problem areas with health plans. Health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

**Managed Care Provider Tax:** The 93rd Missouri General Assembly, 2005 passed legislation establishing a Medicaid managed care organization reimbursement allowance to be paid by all MO HealthNet-only health benefit plans for the privilege of engaging in the business of providing health benefit services in Missouri. The tax is based on MO HealthNet total revenues. The tax may be withheld from each managed care organization's MO HealthNet check through an offset or the managed care organization may send a check or money order. The provider tax took effect on July 1, 2005 and will expire September 30, 2009.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.166; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

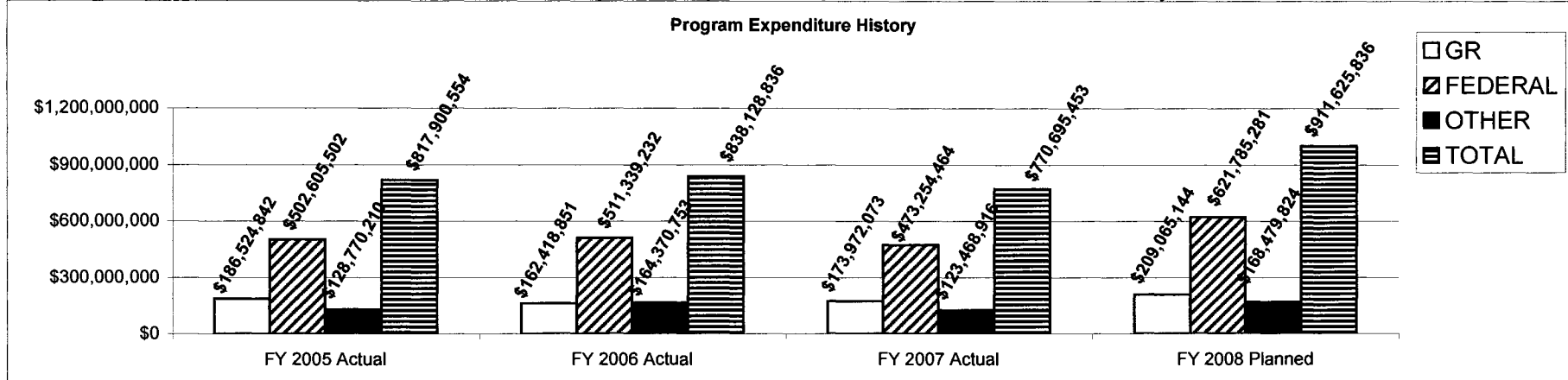
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

Managed care covers most services available to fee for service eligibles. As such, both mandatory and non-mandatory services are included. Services not included in managed care are available fee for service.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

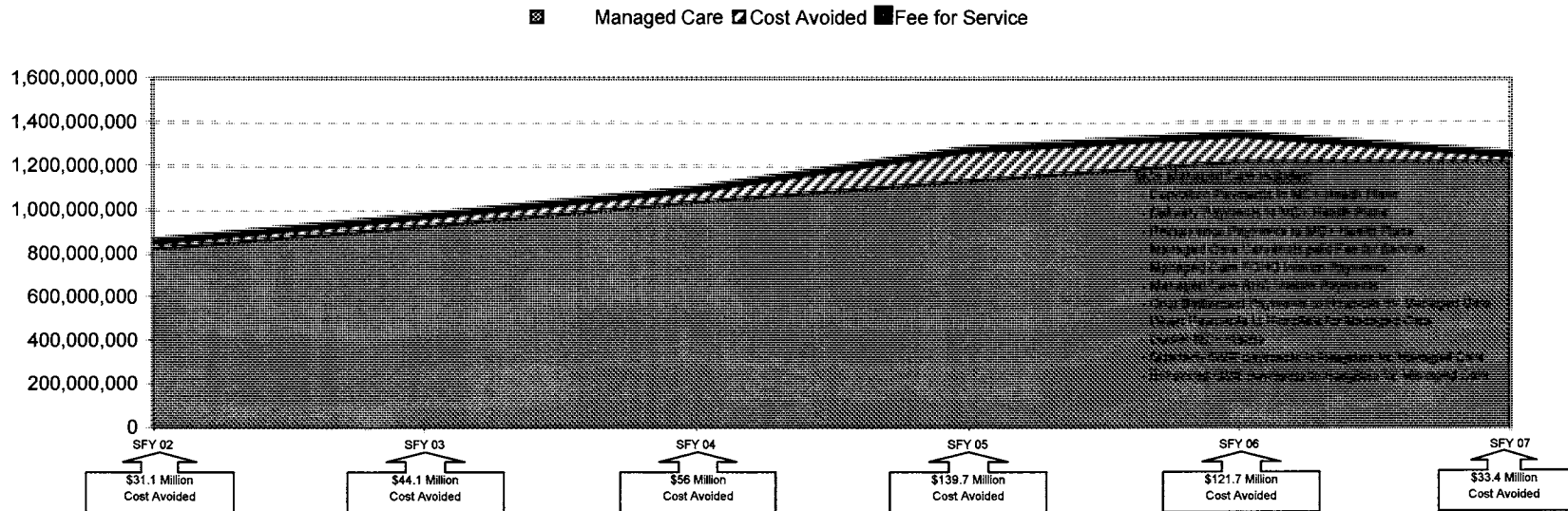
Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Healthy Families Trust Fund-Health Care Account (0640) in FY 05 thru FY 07, Medicaid Managed Care Organization Reimbursement Allowance Fund (0160) in FY 06 thru FY 08 and Healthy Families Trust (0625) in FY08.

**7a. Provide an effectiveness measure.**

See Attachment A--"Since MC+ Managed Care Began"

**7b. Provide an efficiency measure.**

Cost Avoidance Attributable to MO HealthNet Managed Care



**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

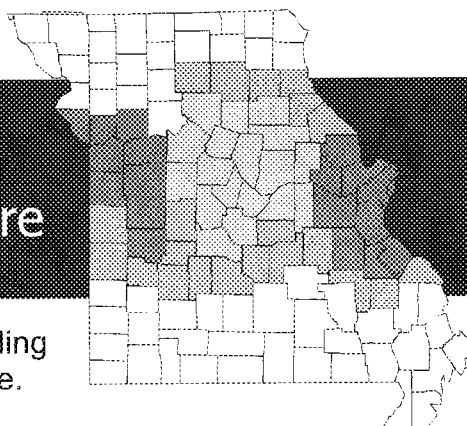
- Medical assistance for families
- MO HealthNet for children
- Refugees
- MO HealthNet for pregnant women
- Children in state care and custody
- SCHIP children

Managed Care Enrollees (Excludes SCHIP Eligibles)		
SFY	Actual	Projected
2005	375,250	
2006	339,918	
2007	314,213	
2008		323,171
2009		316,449
2010		316,449

**7d. Provide a customer satisfaction measure, if available.**

See Attachment B--"2006 Consumer's Guide MC+ Managed Care in Missouri".

# Missouri Medicaid MC+ Managed Care



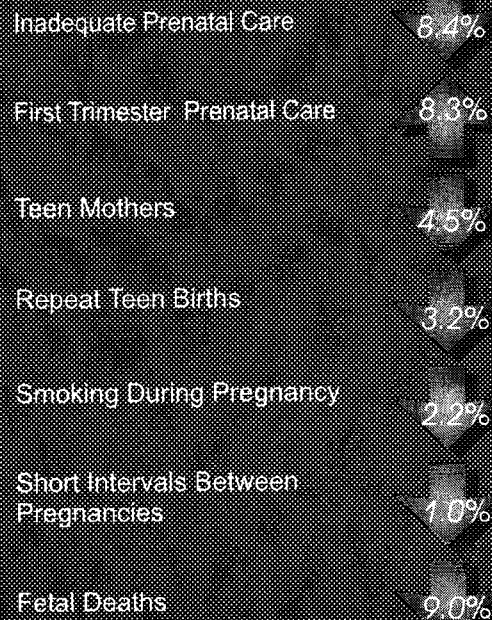
In 1995 Missouri began providing Medicaid managed health care. It was started in the Eastern Region and now stretches through a corridor encompassing counties in central and western Missouri. During the course of its 12-year existence, managed health care has bettered the lives of its young participants.

Since MC+ Managed Care Began . . .

Babies are healthier

Children are healthier

Number of uninsured decreased



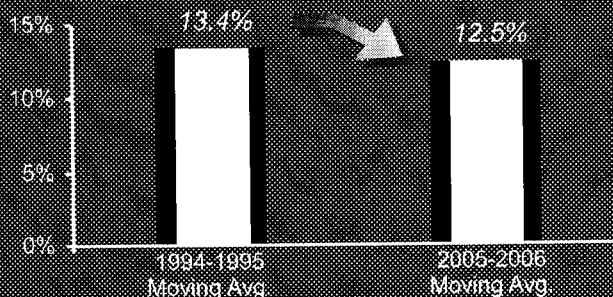
SOURCE: Department of Health & Senior Services\*  
Population: Managed Care



SOURCE: Department of Health & Senior Services\*  
Population: Medicaid Managed Care

## Uninsured Population in Missouri

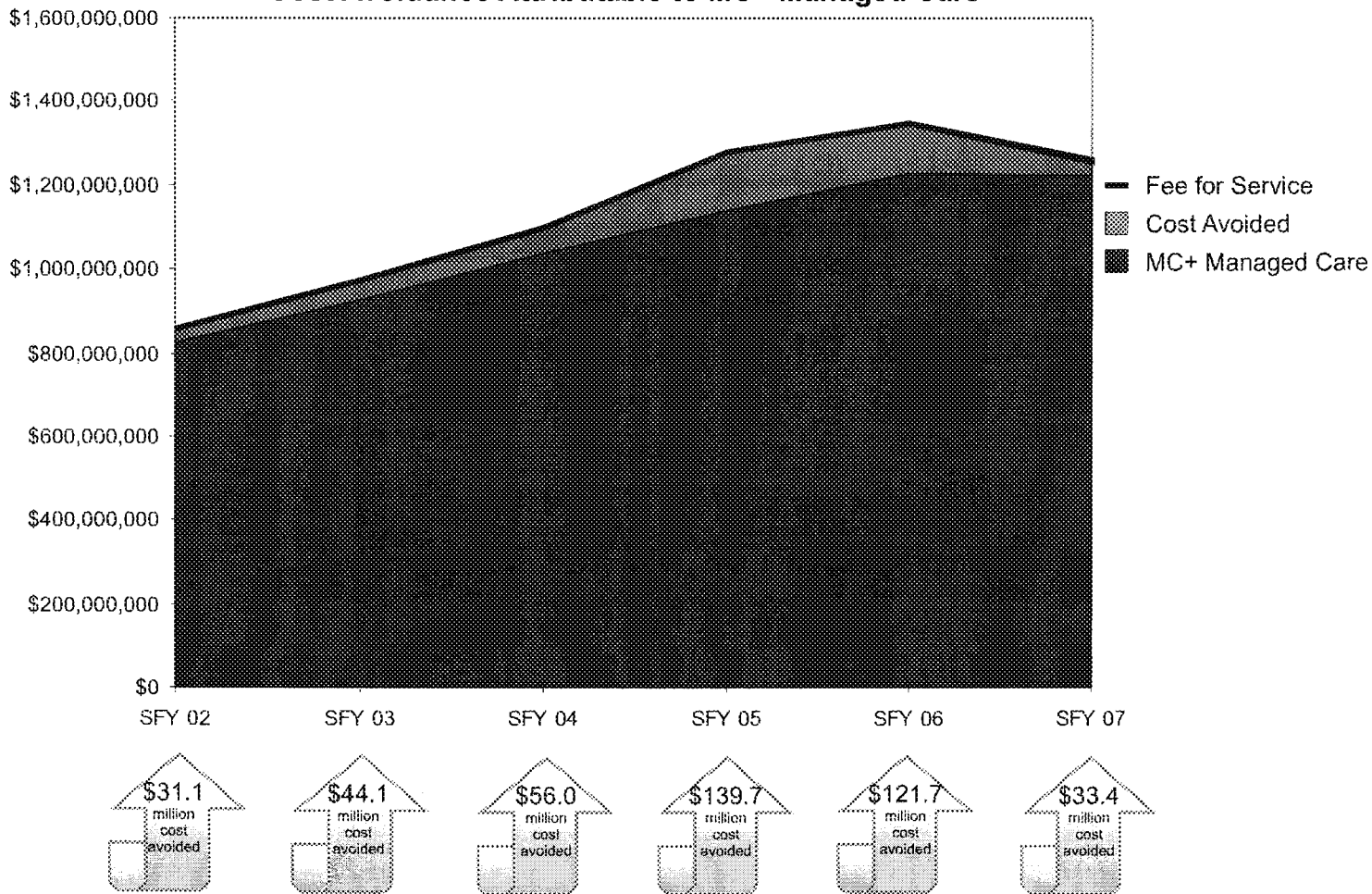
Missouri moves from 27th to 20th lowest in the country.



SOURCE: US Census Bureau  
Population: All Missourians

Because health care for these participants was provided under managed care instead of fee for service, we estimate \$33.4 million in costs were avoided in 2007.

### Cost Avoidance Attributable to MC+ Managed Care\*\*



\*\*Note: Do not compare to prior versions. Methodology has changed.

#### MC+ Managed Care Includes:

- Capitation Payments to MC+ Health Plans
- Delivery Payments to MC+ Health Plans
- Reinsurance Payments to MC+ Health Plans
- Managed Care Carveouts paid Fee for Service
- Managed Care FQHC Interim Payments
- Managed Care RHC Interim Payments
- Cost Settlement Payments to Hospitals for Managed Care
- Direct Payments to Hospitals for Managed Care
- Outlier MC+ claims
- Quarterly GME payments to Hospitals for Managed Care
- Enhanced GME payments to Hospitals for Managed Care





# 2006 Consumer's Guide Commercial Managed Care



# Choosing a Managed Care Health Plan

Choosing a managed care plan can be complex and difficult. This 2006 Consumer's Guide helps you compare the quality of health care and member satisfaction among the commercial managed care plans in Missouri. Use this guide along with any coverage information your employer provides to help select the right plan for you or your family.

## *Follow these steps to assist you in choosing a health plan:*

- ▲ Use the comparison indicators in this brochure only in combination. No one indicator is a sole direct measure of a health plan's performance.
- ▲ Talk to your doctor, family and friends about their experiences with different plans.
- ▲ Come up with your own questions and call your plan choices for answers using the phone numbers provided.
- ▲ Draw on all information to evaluate your managed care options. Make the choice that best suits your needs.

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# What Do Managed Care Plans Look Like?

Plan Name	Statewide Market Share 2005	National Accreditation for 2005	Administrative Expense Rating† 2003-2005	Complaint Index Rating† 2003-2005
Aetna Health Inc	3.7%	NCQA/URAC	●	●
Blue-Advantage	6.2%	NCQA/URAC	●	●
Blue-Care Inc	9.2%	NCQA/URAC	●	●
BlueChoice	23.2%	NCQA	●	●
CIGNA HealthCare of St. Louis Inc	0.7%	NCQA	●	●
CIGNA of Kansas/Missouri	0.5%	NCQA	●	●
Community Health Plan	3.4%	none	●	●
Coventry Health Care of Kansas Inc	12.6%	URAC	●	○
Cox Health Plans Inc	1.1%	none	●	●
Group Health Plan	19.3%	URAC	●	○
HealthLink Inc	0.0%	URAC	●	●
Humana Health Plan Inc	3.7%	NCQA	●	●
Mercy Health Plans of Missouri Inc-St. L.	9.5%	none	●	○
UnitedHealthCare of the Midwest Inc	7.0%	JCAHO	●	○

†This is a company-wide measure

● High    ● Average    ○ Low

Data Source: Missouri Department of Insurance

This shows the percentage of the State's managed care plan members who are enrolled with a specific plan. It provides an indication not only of plan size but also of the plan's ability to meet the varied health care needs of its members.

Missouri managed care plans may voluntarily seek and qualify for accreditation, indicating that they meet national quality standards from the following organizations: National Committee for Quality Assurance (NCQA), Utilization Review Accreditation Commission (URAC) and Joint Commission on Accreditation of Healthcare Organizations (JCAHO).

This measure, which indicates efficiency, is the percentage of total income used for administrative overhead. Plans with administrative expenses less than 10% are shown as high performance, those at 15% or more are rated as low performers.

The complaint index looks at the number of consumer complaints the Department of Insurance received in the past three years relative to the amount of business that a company wrote in Missouri and compares this to the industry average. Plans at less than 50% of industry average are shown as ● or good performers; more than 100% of industry average is considered ○ or needing improvement.



# Commercial Managed Care Plan Performance

## Plan

## Women's Health

	Women's Cancer			Chlamydia Screening for Women Ages 16-25
	Mammograms	Case Management Breast (B) Cervical (C)	At-Risk Educational Materials Breast (B) Cervical (C)	
Aetna Health Inc	○	none	BC	●
Blue-Advantage	●	BC	BC	●
Blue-Care Inc	●	BC	BC	○
BlueChoice	●	BC	BC	●
CIGNA HealthCare of St. Louis Inc	●	BC	BC	●
CIGNA of Kansas/Missouri	○	BC	BC	●
Community Health Plan	●	BC	BC	●
Coventry Health Care of Kansas Inc	○	BC	BC	○
Cox Health Plans Inc	●	BC	BC	●
Group Health Plan	●	BC	B	●
HealthLink Inc	NA	BC	BC	NA
Humana Health Plan Inc	●	BC	BC	●
Mercy Health Plans of Missouri Inc-St. L	●	none	none	●
Premier Health Plans-Springfield	●	BC	none	●
UnitedHealthcare of the Midwest*	●	BC	BC	○

### Statewide Averages

71%

29%

\*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Women's Health Care to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

### Quality of Care Ratings

- – High
- – Average
- – Low/Needs Improvement
- NA – Numbers too small
- NR – Not reported by plan
- \*Plan performance measures are compared to statewide averages

Women (ages 52-69) in plan who had a mammogram in the past 2 years.

Women (ages 21-64) in plan who had one or more pap test within the past three years.

Plan offers case management for breast and/or cervical cancer. Note: Letter indicates the type of cancer for which services are offered.

Female plan members (ages 16-25) who are sexually active and had at least one test for chlamydia (an STD) during the past year.

Case Management helps patients, providers and physicians coordinate the medical care needed for complex or chronic illnesses.

# Commercial Managed Care Plan Performance

## Plan

## Children's Health

Childhood  
Immunization

Adolescent  
Immunizations

Immunization  
Reminder  
Letters

Asthma

Aetna Health Inc  
Blue-Advantage  
Blue-Care Inc  
BlueChoice  
CIGNA HealthCare of St. Louis Inc  
CIGNA of Kansas/Missouri  
Community Health Plan  
Coventry Health Care of Kansas Inc  
Cox Health Plans Inc  
Group Health Plan  
HealthLink Inc  
Humana Health Plan Inc  
Mercy Health Plans of Missouri Inc-St. L.  
Premier Health Plans-Springfield  
UnitedHealthcare of the Midwest\*

		yes	NA
	NR	yes	
		yes	
		yes	
		yes	NA
		yes	
		yes	
		no	NA
		yes	
NA	NA	no	NA
		no	
		yes	
		yes	
		yes	

### Statewide Averages

75%

36%

97%

\*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Children's Health to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

### Quality of Care Ratings

- High
  - Average
  - Low/Needs Improvement
  - NA - Numbers too small
  - NR - Not reported by plan
- \*Plan performance measures are compared to statewide averages

Children in plan who turned 2 in the past year and received required vaccinations.

Adolescents in plan who turned 13 in the past year and received required vaccinations.

Plan sends members reminder letters for immunizations.

Child members (ages 5-9) who have persistent asthma and are being given appropriate medications for long term control of asthma.



# Commercial Managed Care Plan Performance

## Plan

## Cardiovascular

Aetna Health Inc  
Blue-Advantage  
Blue-Care Inc  
BlueChoice  
CIGNA HealthCare of St. Louis Inc  
CIGNA of Kansas/Missouri  
Community Health Plan  
Coventry Health Care of Kansas Inc  
Cox Health Plans Inc  
Group Health Plan  
HealthLink Inc  
Humana Health Plan Inc  
Mercy Health Plans of Missouri Inc-St. L  
Premier Health Plans-Springfield  
UnitedHealthcare of the Midwest\*

Controlling  
High  
Blood  
Pressure

Stroke (S),  
Congestive Heart  
Failure (H),  
High Blood Pressure  
(B)

Cholesterol  
Management  
after Acute  
Cardiovascular  
Event

Cholesterol  
Management  
after Acute  
Cardiovascular  
Event

Case  
Management

Screening

Control

●

SH

●

●

●

SH

○

○

●

SH

●

●

●

SHB

●

●

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SH

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NA

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SHB

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○

●

H

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●

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SHB

●

●

●

SHB

●

●

### Statewide Averages

66%

77%

63%

\*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Cardiovascular Health to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

### Quality of Care Ratings

● – High

● – Average

○ – Low/Needs Improvement

NA – Numbers too small

NR – Not reported by plan

\*Plan performance measures are compared to statewide averages

Plan members (ages 46-85) who were considered hypertensive during the first six months of the measurement year and who achieved blood pressure control.

Plan offers case management services for stroke, congestive heart failure and high blood pressure.  
Note: Letter indicates the conditions for which services are offered.

Plan members who received cholesterol management following an acute cardiovascular event, such as heart attack.

Plan members who received cholesterol management following an acute cardiovascular event, such as heart attack and whose LDL-C levels were < 130mg/dl.

Screenings help to determine if a patient is at risk for a certain disease or health problem. Case Management helps patients, providers and physicians coordinate the medical care needed for complex or chronic illnesses.

# Commercial Managed Care Plan Performance

## Plan

## Diabetes

## Depression

Aetna Health Inc  
Blue-Advantage  
Blue-Care Inc  
BlueChoice  
CIGNA HealthCare of St. Louis Inc  
CIGNA of Kansas/Missouri  
Community Health Plan  
Coventry Health Care of Kansas Inc  
Cox Health Plans Inc  
Group Health Plan  
HealthLink Inc  
Humana Health Plan Inc  
Mercy Health Plans of Missouri Inc-St. L  
Premier Health Plans-Springfield  
UnitedHealthcare of the Midwest\*

Diabetic

Diabetic

Diabetic  
Kidney  
Screening

Antidepressant  
Medication  
Management

Retinal  
Eye Exam

Blood  
Testing



50%

88%

51%

58%

### Statewide Averages

\*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Diabetes and Depression management to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

#### Quality of Care Ratings

● – High

◐ – Average

○ – Low/Needs Improvement

NA – Numbers too small

NR – Not reported by plan

\*Plan performance measures are compared to statewide averages

Plan members (ages 18-75) who received a retinal eye exam during the past year.

Plan members (ages 18-75) who received a blood glucose test during the past year.

Plan members (ages 18-75) who are screened for or have evidence of nephropathy.

Plan members whose medicine for recovery from depression is adequately managed.

Screenings help to determine if a patient is at risk for a certain disease or health problem. Case Management helps patients, providers and physicians coordinate the medical care needed for complex or chronic illnesses.



# Commercial Managed Care Plan Performance

## Plan

## Member Satisfaction

	Customer Service	Claims Processing	Getting Needed Care	Rating of Doctor Seen Most Often	Rating of Specialist Seen Most Often	Overall Rating of Plan
	(1)	(2)	(3)	(4)	(5)	(6)
Aetna Health Inc	●	●	●	●	●	○
Blue-Advantage	●	●	●	●	●	●
Blue-Care Inc	●	●	●	●	●	●
BlueChoice	●	●	●	●	●	●
CIGNA HealthCare of St. Louis Inc	●	●	○	●	●	●
CIGNA of Kansas/Missouri	●	●	○	●	●	●
Community Health Plan	●	●	●	●	●	●
Coventry Health Care of Kansas Inc	●	●	●	●	●	○
Cox Health Plans Inc	●	●	●	●	●	●
Group Health Plan	●	●	●	●	●	●
HealthLink Inc	NA	NA	NA	NA	NA	NA
Humana Health Plan Inc	●	●	●	●	●	●
Mercy Health Plans of Missouri Inc-St. L	●	●	●	●	●	●
Premier Health Plans-Springfield	●	●	●	●	●	●
UnitedHealthcare of the Midwest*	○	●	●	●	●	●
<b>Statewide Averages</b>	<b>71%</b>	<b>92%</b>	<b>83%</b>	<b>76%</b>	<b>80%</b>	<b>68%</b>

\*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

### Response Descriptions for Satisfaction Categories Above

- (1) No problem with paperwork, written materials or help from customer service.
- (2) Claims were correctly processed in a reasonable time.
- (3) No problem getting good doctors and nurses, referrals, and necessary care.
- (4) Overall rating of personal doctor seen most often.
- (5) Overall rating of specialist seen most often.
- (6) Overall rating of health plan.

All Plans Averages and Quality of Care Symbols Explained on following page.

### Quality of Care Ratings

- – High
- ◐ – Average
- – Low/Needs Improvement
- NA – Numbers too small
- NR – Not reported by plan
- \*Plan performance measures are compared to statewide averages

## Statewide Averages and Quality of Care Symbols Explained

The percent on the "Statewide Averages" line indicate the average percent of all plans for each indicator shown in the header of the column.

The Quality of Care Ratings reflect a statistical comparison of the plan's percentage on the indicator (measure) and the statewide average percentage for all plans. An Average (●) rating for a specific plan means the plan scored close to the Statewide Average for that indicator. A High (●) or Low (○) rating means the plan scored much higher or much lower than the Statewide Average.

401



# Member Services Telephone Numbers

## Managed Care Plan / Website

## Customer Service

## Nurse Helpline

### Aetna Health Inc.

<http://www.aetna.com>

(800) 323-9930

(800) 556-1555

### Blue-Advantage

<http://www.bcbskc.com>

(816) 395-9558

### Blue-Care

<http://www.bcbskc.com>

(816) 395-3558

### BlueChoice

<http://www.bcbsmo.com>

(800) 624-2356

### CIGNA HealthCare of St. Louis

<http://www.cigna.com>

(800) 832-3211

(800) 832-3211

### CIGNA HealthCare of KS/MO

<http://www.cigna.com>

(800) 832-3211

(800) 832-3211

### Community Health Plan

<http://www.heartland-health.com>

(800) 990-9247

(800) 832-2476

### Coventry Health Care of Kansas Inc.

<http://www.chckansas.com>

(800) 969-3343

(800) 622-9528

### Cox Health Plans

<http://www.coxhealthplans.com>

(800) 205-7665

### Group Health Plan

<http://www.ghp.com>

(800) 755-3901

### HealthLink

<http://www.healthlink.com>

(800) 624-2356

### Humana Health Plan

<http://www.humana.com>

(866) 427-7478

(800) 622-9529

### Mercy Health Plans of Missouri - St. L.

<http://www.mercyhealthplans.com>

(800) 327-0763

(800) 811-1187

### Premier Health Plans-Springfield

<http://www.premierhealthplansmo.com>

(800) 481-4466

(800) 909-8326

### UnitedHealthcare of the Midwest

<http://www.unitedhealthcare.com>

(800) 627-0687

(877) 365-7950

For further information about this  
Consumer's Guide, contact:

Missouri Dept. of Health and Senior Services  
P.O. Box 570, Jefferson City, MO 65102-0570  
(573) 751-6272



## Websites

The following websites may be useful:

Agency for Healthcare Research & Quality:	<a href="http://www.ahrq.gov">http://www.ahrq.gov</a>
American Association of Health Plans:	<a href="http://www.aahp.org">http://www.aahp.org</a>
American Accreditation Healthcare Commission/URAC:	<a href="http://www.urac.org">http://www.urac.org</a>
American Medical Association:	<a href="http://www.ama-assn.org">http://www.ama-assn.org</a>
American Osteopathic Association:	<a href="http://www.aoa-net.org">http://www.aoa-net.org</a>
Families USA:	<a href="http://www.familiesusa.org">http://www.familiesusa.org</a>
Health and Human Services-U.S.Government:	<a href="http://www.healthfinder.gov">http://www.healthfinder.gov</a>
Joint Commission on Accreditation of Healthcare Organizations/JCAHO:	<a href="http://www.jcaho.org">http://www.jcaho.org</a>
Missouri Department of Insurance	<a href="http://www.insurance.state.mo.us">http://www.insurance.state.mo.us</a>
National Committee for Quality Assurance/NCQA:	<a href="http://www.ncqa.org">http://www.ncqa.org</a>
National Health Information Center	<a href="http://www.health.gov/nhic">http://www.health.gov/nhic</a>

## Need More Information?

Visit our website at: <http://www.dhss.state.mo.us/ManagedCare>

## Concerns or Complaints?

Call your managed care plan if you have concerns on your treatment or feel you have been denied health services. They will explain your grievance rights and how to file a complaint. If you disagree with a plan's position or decision call the Consumer Hotline of the Missouri Department of Insurance at: 1-800-726-7390

For further information about this  
Consumer's Guide, contact:

Missouri Dept. of Health and Senior Services  
P.O. Box 570, Jefferson City, MO 65102-0570  
(573) 751-6272



The Missouri Department of Health and Senior Services has attempted to publish accurate information based upon common definitions. The data reported in this brochure are based on plan performance during 2005. Managed care plans were given an opportunity to review and correct the data presented. Other corrections or suggestions should be forwarded to the Missouri Department of Health and Senior Services, PO Box 570, Jefferson City, MO 65102. Our telephone number is (573) 751-6272. The Missouri Department of Health and Senior Services is an equal opportunity/affirmative action employer. Services are provided on a nondiscriminatory basis. This information is available in alternate formats to citizens with disabilities.

Publication number 21.22  
Designed by Janet Cuthbertson



**NEW DECISION ITEM  
RANK: 5**

Department: Social Services  
Division: MO HealthNet Division  
DI Name: Provider Tax GR Replacement

Budget Unit: 90551C  
DI#: 1886001

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	2,005,809			2,005,809
TRF				
Total	<b>2,005,809</b>			<b>2,005,809</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
--------------------	---	---	---	---

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
--------------------	---	---	---	---

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input checked="" type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: General Revenue pick-up is requested to keep funding at the current levels as provided by the provider tax programs.

Starting January 1, 2008 and through September 30, 2011, the current ceiling of 6 percent is reduced to 5.5 percent. Federal legislation - Tax Relief and Health Care Act - codifies the maximum Medicaid provider tax rate.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Changing the current ceiling from 6% to 5.5% will have an impact on Missouri's provider tax programs and the programs funded by the tax. The impact for FY09 is \$4.0 million. \$2.0 million of this cost was funded in FY08 and continued in the FY09 core. In order to continue funding at the current level, an additional \$2.0 million General Revenue will be needed for the Managed Care appropriation. A corresponding core cut from the program's federal reimbursement allowance funds will be made.

	Total	GR	Federal
Managed Care	\$2,005,809	\$2,005,809	\$0

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	2,005,809						2,005,809		
<b>Total PSD</b>	<b>2,005,809</b>		0		0		<b>2,005,809</b>		0
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	<b>2,005,809</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>2,005,809</b>	<b>0.0</b>	<b>0</b>

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
<b>Total PS</b>	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>Total EE</b>	0		0		0		0		0
Program Distributions	0						0		
<b>Total PSD</b>	0		0		0		0		0
Transfers									
<b>Total TRF</b>	0		0		0		0		0
<b>Grand Total</b>	0	0.0	0	0.0	0	0.0	0	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

SFY	MO HealthNet Enrollees	
	Actual	Projected
2005	992,622	1,005,981
2006	894,220	913,506
2007	825,899	828,004
2008		830,028
2009		834,179
2010		838,350

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>MANAGED CARE</b>								
Provider Tax GR Replacement - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,005,809	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,005,809	0.00	0	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$2,005,809</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,005,809	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00





# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
<b>CORE</b>								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	7,000,000	0.00	7,000,000	0.00	7,000,000	0.00
TITLE XIX-FEDERAL AND OTHER	1,824,830	0.00	7,215,000	0.00	7,215,000	0.00	7,215,000	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	181,454	0.00	215,000	0.00	215,000	0.00	215,000	0.00
TOTAL - EE	2,006,284	0.00	14,430,000	0.00	14,430,000	0.00	14,430,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	35,199,607	0.00	39,804,796	0.00	22,326,956	0.00	21,981,850	0.00
TITLE XIX-FEDERAL AND OTHER	430,617,444	0.00	423,379,152	0.00	423,379,152	0.00	423,379,152	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	200,000	0.00	200,000	0.00
UNCOMPENSATED CARE FUND	32,483,522	0.00	32,483,522	0.00	32,483,522	0.00	32,483,522	0.00
THIRD PARTY LIABILITY COLLECT	1,062,735	0.00	1,062,735	0.00	1,062,735	0.00	1,062,735	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	153,311,719	0.00	135,467,390	0.00	135,467,390	0.00	135,467,390	0.00
HEALTH CARE TECHNOLOGY FUND	0	0.00	0	0.00	0	0.00	200,000	0.00
HEALTH INITIATIVES	2,713,264	0.00	2,797,179	0.00	2,797,179	0.00	2,797,179	0.00
HEALTHY FAMILIES TRUST	0	0.00	42,731,431	0.00	42,731,431	0.00	42,731,431	0.00
HFT-HEALTH CARE ACCT	42,731,431	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	698,119,722	0.00	677,726,205	0.00	660,448,365	0.00	660,303,259	0.00
<b>TOTAL</b>	<b>700,126,006</b>	<b>0.00</b>	<b>692,156,205</b>	<b>0.00</b>	<b>674,878,365</b>	<b>0.00</b>	<b>674,733,259</b>	<b>0.00</b>
<b>Health Care Tech Fund Replacme - 1886003</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	200,000	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	200,000	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>200,000</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,486,393	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,524,381	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,010,774	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4,010,774</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

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# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
CtoC SB 577 Women's Health Prg - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	502,533	0.00	501,758	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,434,755	0.00	1,435,530	0.00
TOTAL - PD	0	0.00	0	0.00	1,937,288	0.00	1,937,288	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,937,288</b>	<b>0.00</b>	<b>1,937,288</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,077,840	0.00	3,422,946	0.00
TOTAL - PD	0	0.00	0	0.00	3,077,840	0.00	3,422,946	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>3,077,840</b>	<b>0.00</b>	<b>3,422,946</b>	<b>0.00</b>
<b>Hospital FRA Pickup: Insure MO - 1886016</b>								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	14,400,000	0.00	14,400,000	0.00
TOTAL - PD	0	0.00	0	0.00	14,400,000	0.00	14,400,000	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>14,400,000</b>	<b>0.00</b>	<b>14,400,000</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$700,126,006</b>	<b>0.00</b>	<b>\$692,156,205</b>	<b>0.00</b>	<b>\$698,504,267</b>	<b>0.00</b>	<b>\$694,493,493</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Hospital Care

Budget Unit: 90552C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	7,000,000	7,215,000	215,000	14,430,000
PSD	22,326,956	423,579,152	214,542,257	660,448,365
TRF				
<b>Total</b>	<b>29,326,956</b>	<b>430,794,152</b>	<b>214,757,257</b>	<b>674,878,365</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Health Initiatives Fund (HIF) (0275)  
Third Party Liability Collections Fund (TPL) (0120)  
Healthy Families Trust Fund (0625)

Note: An "E" is requested for appropriation to support trauma center payments, Federal Funds \$30M and FRA Funds \$20M.

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	7,000,000	7,215,000	215,000	14,430,000
PSD	21,981,850	423,579,152	214,742,257	660,303,259
TRF				
<b>Total</b>	<b>28,981,850</b>	<b>430,794,152</b>	<b>214,957,257</b>	<b>674,733,259</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Health Initiatives Fund (HIF) (0275)  
Third Party Liability Collections Fund (TPL) (0120)  
Healthy Families Trust Fund (0625)

Note: An "E" is requested for appropriation to support trauma center payments, Federal Funds \$30M and FRA Funds \$20M.

## 2. CORE DESCRIPTION

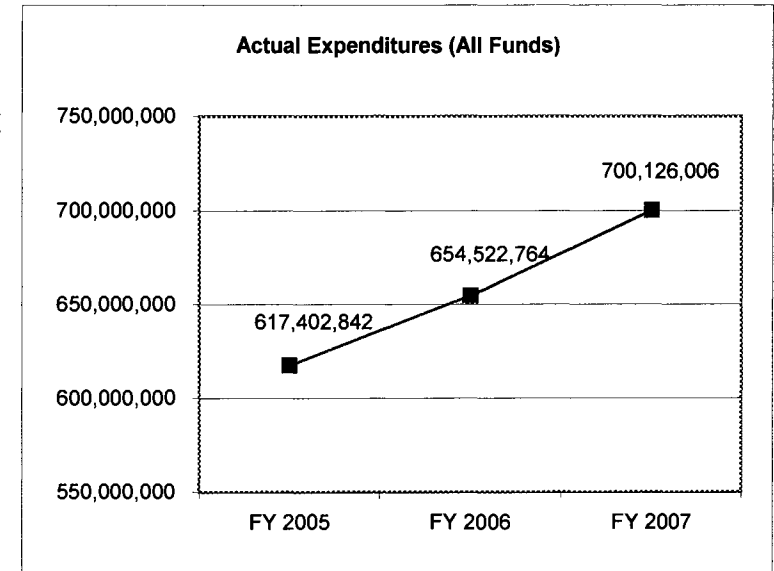
This core request is for ongoing funding to reimburse hospitals for services provided to fee-for-service MO HealthNet recipients. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation.

## 3. PROGRAM LISTING (list programs included in this core funding)

Hospital Care

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	667,838,537	654,998,700	703,179,818	692,156,205 E
Less Reverted (All Funds)	(83,915)	(83,915)	(2,986,677)	N/A
Budget Authority (All Funds)	667,754,622	654,914,785	700,193,141	N/A
Actual Expenditures (All Funds)	617,402,842	654,522,764	700,126,006	N/A
Unexpended (All Funds)	50,351,780	392,021	67,135	N/A
Unexpended, by Fund:				
General Revenue	0	0		N/A
Federal	30,175,890	142,322	33,580	N/A
Other	20,175,890	249,699	33,555	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriation for trauma center Federal Fund and FRA Fund for FY 2005 thru FY 2008.

- (1) State Plan Amendment to make trauma payments (\$50,000,000) still not approved. Expenditures of \$24,843,767 were paid from the Supplemental Pool.
- (2) Expenditures of \$46,150,882 were paid from the Supplemental Pool and expenditures totaling \$6,309,518 were paid from the Managed Care appropriation. "E" increase hospital trauma payments by \$1,950,000 FF.
- (3) Expenditures of \$27,848,015 were paid from the Supplemental Pool and expenditures totaling \$9,597,543 were paid from the Managed Care appropriation.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES HOSPITAL CARE

#### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				EE	0.00	7,000,000	7,215,000	215,000	14,430,000	
				PD	0.00	39,804,796	423,379,152	214,542,257	677,726,205	
				<b>Total</b>	<b>0.00</b>	<b>46,804,796</b>	<b>430,594,152</b>	<b>214,757,257</b>	<b>692,156,205</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	880	1432	PD		0.00	(3,077,840)	0	0	(3,077,840)	FMAP Adjustment
Core Reduction	953	2643	PD		0.00	0	0	(200,000)	(200,000)	Core cut one time Health Care Technology funds for Home Telemonitoring (GR pickup NDI)
Core Reallocation	908	1432	PD		0.00	(14,400,000)	0	0	(14,400,000)	Transfer to Insure Missouri (FRA NDI to backfill)
Core Reallocation	950	2643	PD		0.00	0	0	200,000	200,000	Transfer in Home Telemonitoring funding from Health Care Technology section
Core Reallocation	950	2689	PD		0.00	0	200,000	0	200,000	Transfer in Home Telemonitoring funding from Health Care Technology section
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(17,477,840)</b>	<b>200,000</b>	<b>0</b>	<b>(17,277,840)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				EE	0.00	7,000,000	7,215,000	215,000	14,430,000	
				PD	0.00	22,326,956	423,579,152	214,542,257	660,448,365	
				<b>Total</b>	<b>0.00</b>	<b>29,326,956</b>	<b>430,794,152</b>	<b>214,757,257</b>	<b>674,878,365</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	880	1432	PD		0.00	(345,106)	0	0	(345,106)	FMAP Adjustment
Core Reduction	953	2643	PD		0.00	0	0	200,000	200,000	Core cut one time Health Care Technology funds for Home Telemonitoring (GR pickup NDI)
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(345,106)</b>	<b>0</b>	<b>200,000</b>	<b>(145,106)</b>	

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CORE RECONCILIATION DETAIL

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DEPARTMENT OF SOCIAL SERVICES

HOSPITAL CARE

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5. CORE RECONCILIATION DETAIL

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	Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	7,000,000	7,215,000	215,000	14,430,000	
	PD	0.00	21,981,850	423,579,152	214,742,257	660,303,259	
	<b>Total</b>	<b>0.00</b>	<b>28,981,850</b>	<b>430,794,152</b>	<b>214,957,257</b>	<b>674,733,259</b>	

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# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	2,006,284	0.00	14,430,000	0.00	14,430,000	0.00	14,430,000	0.00
TOTAL - EE	2,006,284	0.00	14,430,000	0.00	14,430,000	0.00	14,430,000	0.00
PROGRAM DISTRIBUTIONS	698,119,722	0.00	677,726,205	0.00	660,448,365	0.00	660,303,259	0.00
TOTAL - PD	698,119,722	0.00	677,726,205	0.00	660,448,365	0.00	660,303,259	0.00
<b>GRAND TOTAL</b>	<b>\$700,126,006</b>	<b>0.00</b>	<b>\$692,156,205</b>	<b>0.00</b>	<b>\$674,878,365</b>	<b>0.00</b>	<b>\$674,733,259</b>	<b>0.00</b>
GENERAL REVENUE	\$35,199,607	0.00	\$46,804,796	0.00	\$29,326,956	0.00	\$28,981,850	0.00
FEDERAL FUNDS	\$432,442,274	0.00	\$430,594,152	0.00	\$430,794,152	0.00	\$430,794,152	0.00
OTHER FUNDS	\$232,484,125	0.00	\$214,757,257	0.00	\$214,757,257	0.00	\$214,957,257	0.00





## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Hospital Care**

**Program is found in the following core budget(s): Hospital Care**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payment for inpatient and outpatient hospital services for fee for service MO HealthNet/MC+ participants.*

Hospital services, inpatient and outpatient, are an essential part of a health care delivery system. These services are mandatory Medicaid-covered services and are provided statewide. Hospital services have been part of the MO HealthNet program since November 1967. MO HealthNet inpatient hospital services are medical services provided in a hospital acute care setting for the care and treatment of MO HealthNet participants.

MO HealthNet outpatient hospital services include preventive, diagnostic, emergency, therapeutic, rehabilitative or palliative services provided in an outpatient setting. Examples of outpatient services are emergency room services, physical therapy, ambulatory surgery, or any service/procedure done prior to admission.

#### Providers

To participate in the MO HealthNet fee-for-service program, hospitals must first meet certain requirements. Hospitals must be licensed and certified by the Missouri Department of Health and Senior Services for participation in the Title XVIII Medicare program. If the hospital is located out of state, the hospital must be licensed by that state's Department of Health or similar agency. If a state does not have a licensing agency, the hospital must be accredited by the Joint Commission on Accreditation of Healthcare Organization (JCAHO). In addition, the hospital must complete a Title XIX Medicaid Participation Agreement/Questionnaire, and a MO HealthNet Enrollment application. The application of enrollment must be approved by the Department of Social Services/MO HealthNet Division.

#### MO HealthNet Reimbursement

Reimbursement for inpatient hospital stays is determined by a prospective reimbursement plan implemented in FY82. The plan provides for an inpatient hospital reimbursement rate based on the 1995 cost report to reimburse for inpatient stays in accordance with a specified admission diagnosis. For reimbursement purposes hospitals are divided into two groups: safety net hospitals and disproportionate share hospitals (first tier and other DSH). The DSH classification is made as a result of an analysis of annual hospital cost reports.

A hospital can qualify as a safety net hospital if:

- it has an unsponsored care (charity care) ratio of 65%; OR
- is operated by the Board of Curators as defined in chapter 172 RSMo; OR
- is operated by the Department of Mental Health;

AND if it meets one of the following DSH criteria:

- MO HealthNet inpatient utilization percentage must be at least one standard deviation above the state's mean MO HealthNet utilization;
- Utilization of services by low-income clients must be greater than 25% of their total utilization;
- The hospital must be ranked in the top fifteen hospitals based on MO HealthNet patient days and their MO HealthNet nursery and neonatal utilization must be greater than 35% of the hospital's total nursery and neonatal utilization;
- At least 9% of their MO HealthNet days are provided in the hospital's neonatal unit.
- Unsponsored care ratio of at least ten percent (10%).

Once a per diem reimbursement rate is established for each hospital, it is paid for the lesser of: 1) the number of days assigned by the utilization review agent; 2) the number of days billed as covered services; or 3) the Professional Activity Study (PAS) limitation for any diagnosis not subject to review by the utilization review agent.

A hospital is eligible for a special per diem rate increase if it meets prescribed requirements concerning new health services or new construction.

Outpatient services, excluding certain diagnostic laboratory procedures, are paid on a prospective outpatient reimbursement methodology. The prospective outpatient payment percentage is calculated using the MO HealthNet overall outpatient cost-to-charge ratio from the fourth, fifth and sixth prior base year cost reports regressed to the current state fiscal year. The prospective outpatient payment percentage cannot exceed 100% and cannot be less than 20%. New MO HealthNet providers that do not have fourth, fifth and sixth prior year cost reports will be set at 75% for the first three fiscal years in which the hospital operates and will have a cost settlement calculated for these years. A prospective outpatient rate will then be calculated and used for the fourth and subsequent years of operation. The weighted average prospective outpatient rate is 35%.

#### Other Reimbursement to Hospitals

Hospitals may also receive funding from the Federal Reimbursement Allowance (FRA) program. The FRA program is a funding source for inpatient and outpatient services. It is also a funding source for MC+ Managed Care, the Women's Health Services, and SCHIP program. These programs provide payments for the cost of providing care to MO HealthNet participants and the uninsured.

Under the FRA program, hospitals pay a federal reimbursement allowance for doing business in the state. The assessment is a percent of total operating revenue less tax revenue/other government appropriations, plus non-operating gains and losses as published by the Missouri Department of Health and Senior Services, Section of Health Statistics. For the first half of FY08, the assessment is 5.99% and for the second half it is 5.49%. The financial data is required to be submitted by the hospitals to the Missouri Department of Health and Senior Services. If the pertinent information is not available through the DHSS hospital database, the MO HealthNet Division will use the MO HealthNet data similarly defined from the MO HealthNet cost report. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of payments.

The payments include funding for: inpatient per diems, outpatient payments, and add-on payments (such as direct MO HealthNet payments, uninsured, and utilization add-on payments). For a more detailed description of the FRA program see the FRA narrative.

#### Trends

The elderly and persons with disabilities are the highest users of health care services and costliest population per capita. These two populations represent 25% of all Medicaid eligibles and represent 64% of all expenditures. Persons with disabilities are the primary users of hospital services. This group accounts for 43% of fee-for-service hospital users and 55% of fee-for-service hospital expenditures. The elderly are 14% of fee-for-service hospital users and use over 6% of fee-for-service hospital expenditures.

One method used to control costs is the pre-certification of inpatient hospital stays and certificate of need for patients under 21 admitted to psychiatric units or facilities. The reviews are done by a utilization review agent. Admission and continued stay reviews are performed on a preapproved basis for all fee for service MO HealthNet participants admitted to acute care hospitals except for certain pregnancy, delivery and newborn diagnoses and Medicare/MO HealthNet eligibles. The reviews are done to ensure that hospital admission and each day of inpatient care are medically necessary. The review may be performed prior to admission, post admission or retrospectively. An initial length of stay (LOS) is assigned by a nurse or physician reviewer.

**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);  
Federal Regulations: 42 CFR 440.10 and 440.20

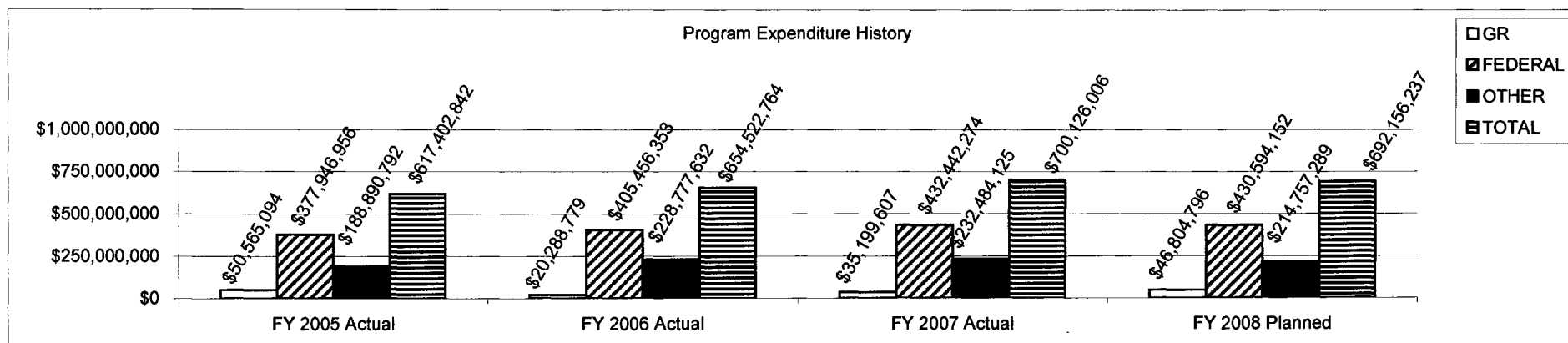
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

**4. Is this a federally mandated program? If yes, please explain.**

Yes, if the state elects to have a Medicaid program.

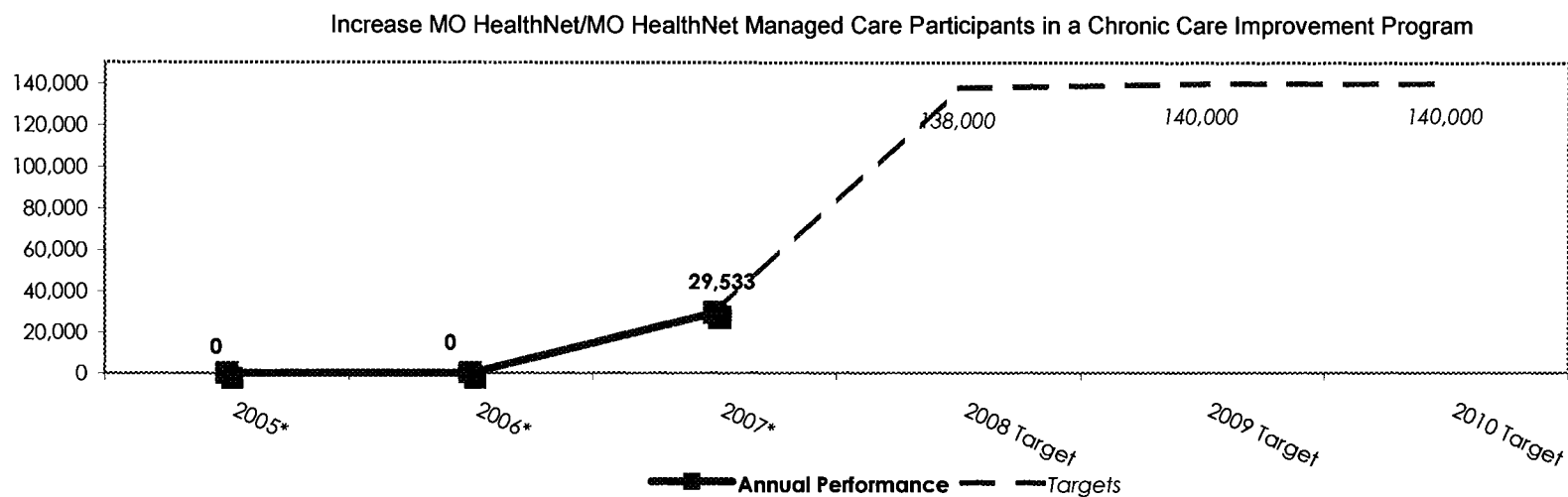
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Uncompensated Care Fund (0108), Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Healthy Families Trust-Health Care Account (0640) thru FY 07, Third Party Liability Collections Fund (0120), Intergovernmental Transfer Fund (0139) in FY05 and Healthy Families Trust Fund (0625) in FY08.

**7a. Provide an effectiveness measure.**



\*The Chronic Care Improvement Program (CCIP) began in mid Fiscal Year 2007. Information as of June 30. Over 109,000 enrollees as of December 31, 2007.

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.****Eligibles:**

Inpatient and outpatient services are available to all fee for service MO HealthNet eligibles. In those regions of the state where MC+ Managed Care has been implemented enrollees have hospital services available through the MC+ Managed Care health plans.

Average Monthly Hospital Services Users		
SFY	Actual	Projected
2005	102,883	
2006	101,917	104,941
2007	107,049	105,387
2008		111,215
2009		115,543
2010		120,040

Number of Inpatient Days (Thousands)		
SFY	Actual	Projected
2005	640.9	612.9
2006	458.4	698.6
2007	395.8	474.2
2008		399.8
2009		403.8
2010		407.8

Number of Outpatient Services (Thousands)		
SFY	Actual	Projected
2005	6,943.2	7,064.0
2006	8,162.6	8,193.0
2007	9,754.7	9,662.1
2008		11,657.3
2009		13,931.1
2010		16,648.3

**7d. Provide a customer satisfaction measure, if available.**



**NEW DECISION ITEM  
RANK: 24**

Department: Social Services  
Division: MO HealthNet  
DI Name: Hospital FRA Pickup - Insure Missouri

Budget Unit: 90552C  
DI#: 1886016

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD			14,400,000	14,400,000
TRF				
Total			<b>14,400,000</b>	<b>14,400,000</b>
FTE				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund 0142

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD			14,400,000	14,400,000
TRF				
Total			<b>14,400,000</b>	<b>14,400,000</b>
FTE				<b>0.00</b>

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund 0142

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input checked="" type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: This funding is requested for the replacement of the Hospital Care GR redirect to Insure Missouri.

GR is being redirected from the Hospital Care appropriation to Insure Missouri. This decision item seeks FRA authority to replace GR.



**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

\$14,400,000 was redirected from the Hospital Care to the Insure Missouri appropriation. This decision item seeks the FRA replacement so that the Hospital Care program is funded at the appropriate level.

	Total	GR	Federal	Other
Hospital Care	\$14,400,000			\$14,400,000

Governor's Recommendation:

	Total	GR	Federal	Other
Hospital Care	\$14,400,000			\$14,400,000

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0				14,400,000		14,400,000		
Total PSD	0		0		14,400,000		14,400,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	14,400,000	0.0	14,400,000	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					14,400,000		14,400,000		
Total PSD	0		0		14,400,000		14,400,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	14,400,000	0.0	14,400,000	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

- 6a. Provide an effectiveness measure.**
- 6b. Provide an efficiency measure.**
- 6c. Provide the number of clients/individuals served, if applicable.**
- 6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>HOSPITAL CARE</b>								
Hospital FRA Pickup: Insure MO - 1886016								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	14,400,000	0.00	14,400,000	0.00
TOTAL - PD	0	0.00	0	0.00	14,400,000	0.00	14,400,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$14,400,000</b>	<b>0.00</b>	<b>\$14,400,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$14,400,000	0.00	\$14,400,000	0.00



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
TIER 1 SAFETY NET HOSPITALS									
CORE									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	5,132,381	0.00	23,000,000	0.00	23,000,000	0.00	8,000,000	0.00	
TOTAL - PD	5,132,381	0.00	23,000,000	0.00	23,000,000	0.00	8,000,000	0.00	
TOTAL	5,132,381	0.00	23,000,000	0.00	23,000,000	0.00	8,000,000	0.00	
GRAND TOTAL	\$5,132,381	0.00	\$23,000,000	0.00	\$23,000,000	0.00	\$8,000,000	0.00	



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Tier 1 Safety Net Hospitals

Budget Unit: 90558C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD		23,000,000		23,000,000
TRF				
Total		23,000,000		23,000,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

Note: An "E" is requested for Federal Fund authority.

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD		8,000,000		8,000,000
TRF				
Total		8,000,000		8,000,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

Note: An "E" is requested for Federal Fund authority.

## 2. CORE DESCRIPTION

This core request is for ongoing funding to reimburse for physician services provided to MO HealthNet clients and the uninsured through Tier 1 Safety Net Hospitals. The payments maximize eligible costs by utilizing current state and local funding sources as match for services that are not currently matched with federal Medicaid payments.

The Governor's recommendation brings the appropriation in line with planned spending.

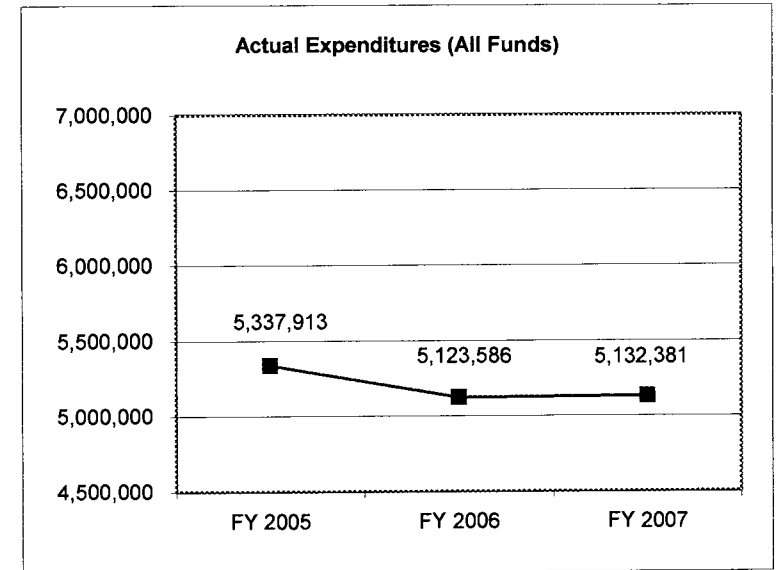
## 3. PROGRAM LISTING (list programs included in this core funding)

Tier 1 Safety Net Hospitals



#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	23,000,000	23,000,000	23,000,000	23,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	23,000,000	23,000,000	23,000,000	N/A
Actual Expenditures (All Funds)	5,337,913	5,123,586	5,132,381	N/A
Unexpended (All Funds)	17,662,087	17,876,414	17,867,619	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	17,662,087	17,876,414	17,867,619	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Lapse of \$17,662,087 in excess federal authority.

(2) Lapse of \$17,876,414 in excess federal authority.

(3) Lapse of \$17,867,619 in excess federal authority.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES TIER 1 SAFETY NET HOSPITALS

#### 5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	23,000,000	0	23,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>23,000,000</b>	<b>0</b>	<b>23,000,000</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	23,000,000	0	23,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>23,000,000</b>	<b>0</b>	<b>23,000,000</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>							
Core Reduction	2247 6660 PD	0.00	0	(15,000,000)	0	(15,000,000)	Core reduction to Tier 1 Safety Hospitals.
<b>NET GOVERNOR CHANGES</b>		<b>0.00</b>	<b>0</b>	<b>(15,000,000)</b>	<b>0</b>	<b>(15,000,000)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	8,000,000	0	8,000,000	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>8,000,000</b>	<b>0</b>	<b>8,000,000</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
TIER 1 SAFETY NET HOSPITALS								
CORE								
PROGRAM DISTRIBUTIONS	5,132,381	0.00	23,000,000	0.00	23,000,000	0.00	8,000,000	0.00
TOTAL - PD	5,132,381	0.00	23,000,000	0.00	23,000,000	0.00	8,000,000	0.00
GRAND TOTAL	\$5,132,381	0.00	\$23,000,000	0.00	\$23,000,000	0.00	\$8,000,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$5,132,381	0.00	\$23,000,000	0.00	\$23,000,000	0.00	\$8,000,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Tier 1 Safety Net Hospitals**

**Program is found in the following core budget(s): Tier 1 Safety Net Hospitals**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payments for MO HealthNet clients and the uninsured through Tier 1 safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients. This program was established to provide a funding mechanism to enhance payments to these hospitals.*

Enhanced payments have been made to Truman Medical Center Physicians and University of Missouri-Kansas City Physicians. Appropriated funding was based on the following ideas and projections:

Enhanced Payment for Truman Medical Center Physicians	\$ 3,000,000
Enhanced Payment for University of Missouri-Kansas City Physicians	\$ 5,000,000

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);  
Federal Regulations: 42 CFR 440.10 and 440.20

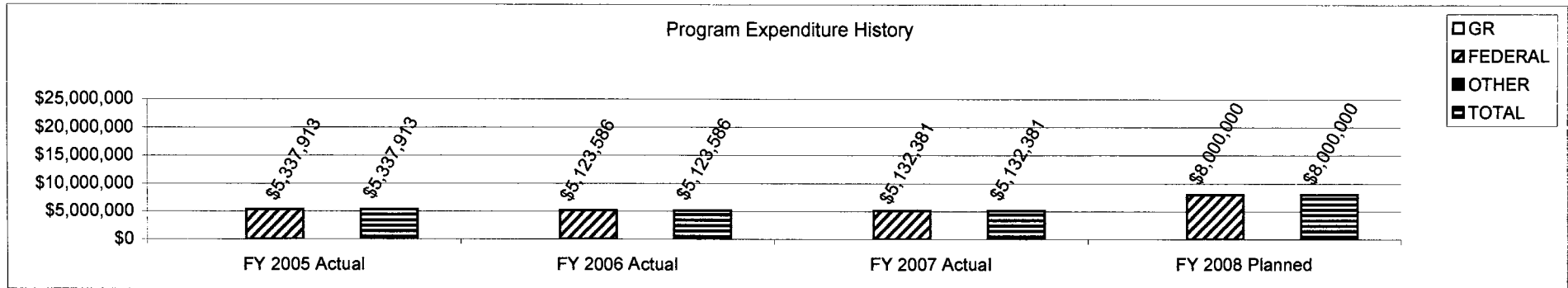
### 3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants the MO HealthNet Division provides payment of the federal share for these eligible services.

### 4. Is this a federally mandated program? If yes, please explain.

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

N/A

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>FQHC DISTRIBUTION</b>									
<b>CORE</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	8,730,000	0.00	9,000,000	0.00	9,000,000	0.00	9,000,000	0.00	
HEALTH CARE TECHNOLOGY FUND	0	0.00	5,000,000	0.00	5,000,000	0.00	5,000,000	0.00	
TOTAL - PD	8,730,000	0.00	14,000,000	0.00	14,000,000	0.00	14,000,000	0.00	
TOTAL	8,730,000	0.00	14,000,000	0.00	14,000,000	0.00	14,000,000	0.00	
GRAND TOTAL	\$8,730,000	0.00	\$14,000,000	0.00	\$14,000,000	0.00	\$14,000,000	0.00	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Federally Qualified Health Centers (FQHC)

Budget Unit: 90559C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	9,000,000		5,000,000	14,000,000
TRF				
Total	9,000,000		5,000,000	14,000,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Health Care Technology Fund (0170)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	9,000,000		5,000,000	14,000,000
TRF				
Total	9,000,000		5,000,000	14,000,000
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Health Care Technology Fund (0170)

## 2. CORE DESCRIPTION

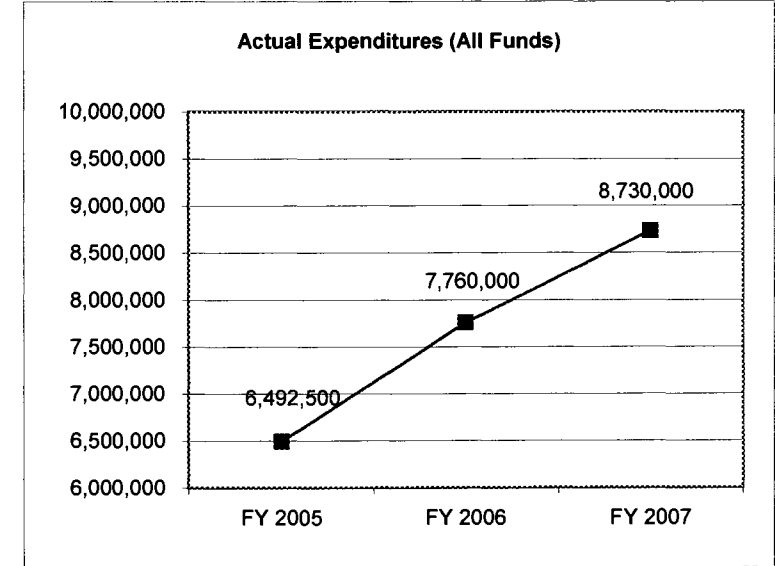
This core request is to allow Federally Qualified Health Centers (FQHCs) to provide more services in their facilities and improve access to health care for the uninsured and under-insured. Funding for this core is for equipment and infrastructure in the FQHC, to cover the expense of providing health care services in the FQHC setting and for health care technology initiatives.

## 3. PROGRAM LISTING (list programs included in this core funding)

Federally Qualified Health Centers (FQHC)

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	7,000,000	8,000,000	9,000,000	14,000,000
Less Reverted (All Funds)	(210,000)	(240,000)	(270,000)	N/A
Budget Authority (All Funds)	6,790,000	7,760,000	8,730,000	N/A
Actual Expenditures (All Funds)	6,492,500	7,760,000	8,730,000	N/A
Unexpended (All Funds)	297,500	0	0	N/A
Unexpended, by Fund:				
General Revenue	297,500	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****FQHC DISTRIBUTION**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	PD	0.00	9,000,000	0	5,000,000	14,000,000	
	<b>Total</b>	<b>0.00</b>	<b>9,000,000</b>	<b>0</b>	<b>5,000,000</b>	<b>14,000,000</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	9,000,000	0	5,000,000	14,000,000	
	<b>Total</b>	<b>0.00</b>	<b>9,000,000</b>	<b>0</b>	<b>5,000,000</b>	<b>14,000,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	9,000,000	0	5,000,000	14,000,000	
	<b>Total</b>	<b>0.00</b>	<b>9,000,000</b>	<b>0</b>	<b>5,000,000</b>	<b>14,000,000</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>FQHC DISTRIBUTION</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	8,730,000	0.00	14,000,000	0.00	14,000,000	0.00	14,000,000	0.00
TOTAL - PD	8,730,000	0.00	14,000,000	0.00	14,000,000	0.00	14,000,000	0.00
<b>GRAND TOTAL</b>	<b>\$8,730,000</b>	<b>0.00</b>	<b>\$14,000,000</b>	<b>0.00</b>	<b>\$14,000,000</b>	<b>0.00</b>	<b>\$14,000,000</b>	<b>0.00</b>
GENERAL REVENUE	\$8,730,000	0.00	\$9,000,000	0.00	\$9,000,000	0.00	\$9,000,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$5,000,000	0.00	\$5,000,000	0.00	\$5,000,000	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Federally Qualified Health Centers (FQHC) Distribution**

**Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Allows Federally Qualified Health Centers to provide more services in their facilities and improve access to health care for the uninsured and under-insured. Grant funds are used for capital expansion, infrastructure redesigning, primary health care for the uninsured, and health care technology initiatives.*

FQHCs are community health centers that provide comprehensive primary care to low-income and medically under-served urban and rural communities. Because of an inadequate number of providers, Missourians have found it difficult to find health care providers and are subject to lengthy postponements in receiving health care services. In rural areas, these issues are more pronounced as people must frequently travel to larger cities in order to receive necessary care. By equipping the FQHCs with infrastructure and personnel, the under-served population will have increased access to health care, especially in medically under-served areas.

Examples of ways these grants help expand access to health care services for the low-income and uninsured include: 1) Supporting nontraditional hours of operation (weekend and special evening hours). FQHCs recognize that many Missourians do not have the luxury of accessing care during normal business hours. 2) Defraying the costs of caring for the uninsured. FQHCs are required to accept uninsured patients as they do insured patients. 3) Fund staff and infrastructure to provide services not usually accessible to FQHC patients such as dental services.

The Department of Social Services has contracted with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the FQHC grants, assuring accurate and timely payments to the subcontractors and to act as a central data collection point for evaluation of program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the Federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, reducing disparities in health status between majority and minority populations.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.201, 660.026; Federal law: Social Security Act Section 1905(a)(2); Federal regulation: 42 CFR 440.210, 440.500

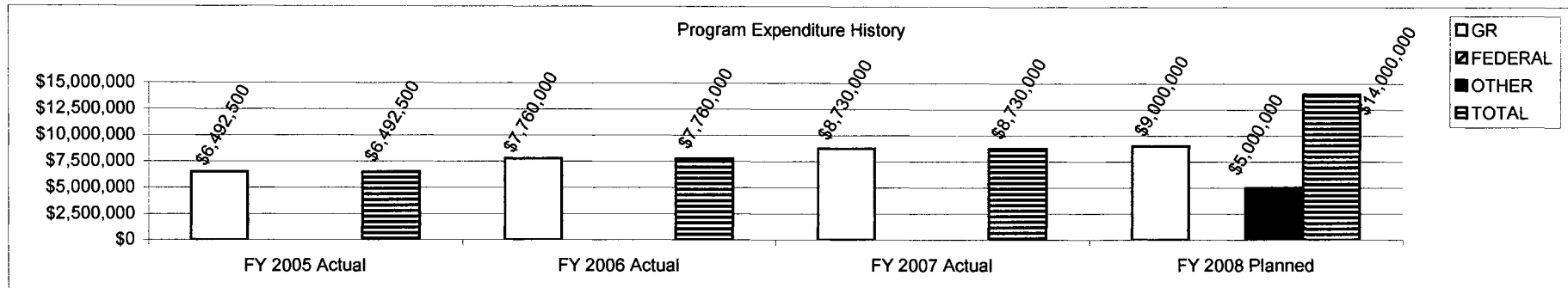
### 3. Are there federal matching requirements? If yes, please explain.

This is a state-only program using 100% General Revenue funding.

### 4. Is this a federally mandated program? If yes, please explain.

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Healthcare Technology Fund (0170) in FY 08.

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

These are grants to FQHC sites.

	FQHC Users by Service					
	Medical		Dental		Mental Health	
	Actual	Projected	Actual	Projected	Actual	Projected
2005	242,316	229,022	71,510	76,337	12,043	13,318
2006	241,584	255,855	74,991	84,349	12,928	15,547
2007		250,412		83,601		14,887
2008		259,240		92,211		16,846
2009		259,240		92,211		16,846
2010		259,240		92,211		16,846

Note: Information is based on calendar year.

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item		FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary		ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund		DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>RURAL HEALTH CLINICS</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
GENERAL REVENUE		0	0.00	530,000	0.00	530,000	0.00	530,000	0.00
TITLE XIX-FEDERAL AND OTHER		0	0.00	872,859	0.00	872,859	0.00	872,859	0.00
TOTAL - PD		0	0.00	1,402,859	0.00	1,402,859	0.00	1,402,859	0.00
TOTAL		0	0.00	1,402,859	0.00	1,402,859	0.00	1,402,859	0.00
GRAND TOTAL		\$0	0.00	\$1,402,859	0.00	\$1,402,859	0.00	\$1,402,859	0.00

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Rural Health Clinics

Budget Unit: 90560C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	530,000	872,859		1,402,859
TRF				
Total	530,000	872,859		1,402,859

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	530,000	872,859		1,402,859
TRF				
Total	530,000	872,859		1,402,859

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

## 2. CORE DESCRIPTION

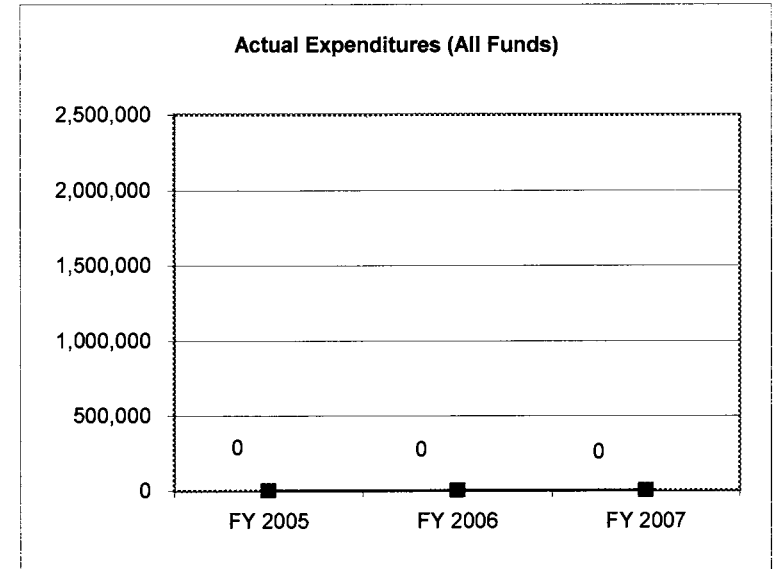
This core request is for funding a pilot project for rural health clinics using telehealth services.

## 3. PROGRAM LISTING (list programs included in this core funding)

Rural Health Clinics Pilot Project

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	0	0	1,402,859
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) New program in FY 2008.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****RURAL HEALTH CLINICS**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>	PD	0.00	530,000	872,859	0	1,402,859	
	<b>Total</b>	<b>0.00</b>	<b>530,000</b>	<b>872,859</b>	<b>0</b>	<b>1,402,859</b>	
<b>DEPARTMENT CORE REQUEST</b>	PD	0.00	530,000	872,859	0	1,402,859	
	<b>Total</b>	<b>0.00</b>	<b>530,000</b>	<b>872,859</b>	<b>0</b>	<b>1,402,859</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>	PD	0.00	530,000	872,859	0	1,402,859	
	<b>Total</b>	<b>0.00</b>	<b>530,000</b>	<b>872,859</b>	<b>0</b>	<b>1,402,859</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
RURAL HEALTH CLINICS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	1,402,859	0.00	1,402,859	0.00	1,402,859	0.00
TOTAL - PD	0	0.00	1,402,859	0.00	1,402,859	0.00	1,402,859	0.00
GRAND TOTAL	\$0	0.00	\$1,402,859	0.00	\$1,402,859	0.00	\$1,402,859	0.00
GENERAL REVENUE	\$0	0.00	\$530,000	0.00	\$530,000	0.00	\$530,000	0.00
FEDERAL FUNDS	\$0	0.00	\$872,859	0.00	\$872,859	0.00	\$872,859	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Rural Health Clinics**

**Program is found in the following core budget(s): Rural Health Clinics**

### **1. What does this program do?**

Telehealth is the use of medical information exchanged from one site to another via electronic communications to improve the health status of a patient.

The purpose of this item is to enable connectivity between Rural Health Clinics (RHC) and the Missouri Telehealth Network. Rural Health Clinics interested in telehealth will be connected on a pilot project basis, to enable participants receiving services at the RHC to access specialist services via the telehealth network.

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

Section 208.670, RSMo.

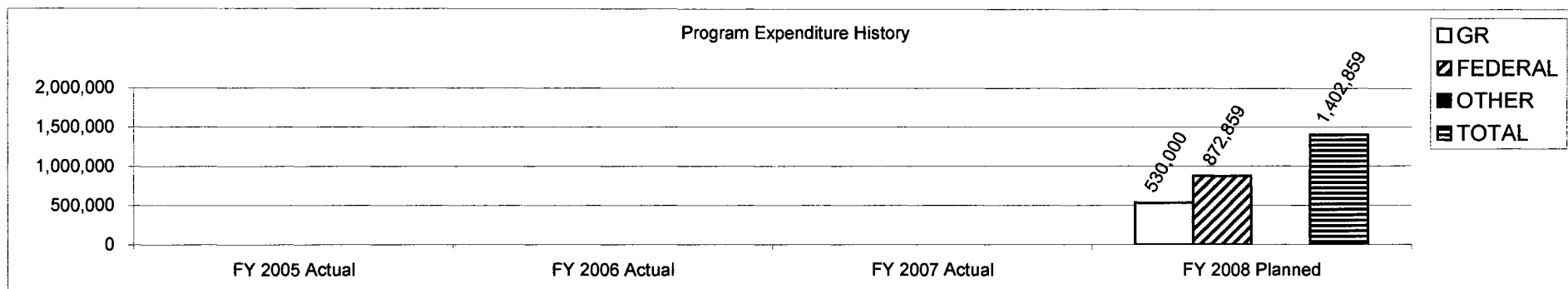
### **3. Are there federal matching requirements? If yes, please explain.**

States can earn the Federal Medical Assistance Percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

### **4. Is this a federally mandated program? If yes, please explain.**

No

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other " funds?**

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

**7d. Provide a customer satisfaction measure, if available.**





# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>FED REIMB ALLOWANCE</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
FEDERAL REIMBURSEMENT ALLOWANCE	792,136,327	0.00	752,000,000	0.00	710,300,000	0.00	710,300,000	0.00	
TOTAL - PD	792,136,327	0.00	752,000,000	0.00	710,300,000	0.00	710,300,000	0.00	
TOTAL	792,136,327	0.00	752,000,000	0.00	710,300,000	0.00	710,300,000	0.00	
GRAND TOTAL	\$792,136,327	0.00	\$752,000,000	0.00	\$710,300,000	0.00	\$710,300,000	0.00	

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# **CORE DECISION ITEM**

Department: Social Services  
Division: MO HealthNet  
Appropriation: Federal Reimbursement Allowance (FRA)

Budget Unit: 90553C

## **1. CORE FINANCIAL SUMMARY**

FY 2009 Budget Request					FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD			710,300,000	710,300,000	PSD			710,300,000	710,300,000
TRF					TRF				
Total			<b>710,300,000</b>	<b>710,300,000</b>	Total			<b>710,300,000</b>	<b>710,300,000</b>
FTE				0.00	FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Notes: An "E" is requested for the \$710,300,000 Federal Reimbursement Allowance Fund

Notes: An "E" is requested for the \$710,300,000 Federal Reimbursement Allowance Fund

## **2. CORE DESCRIPTION**

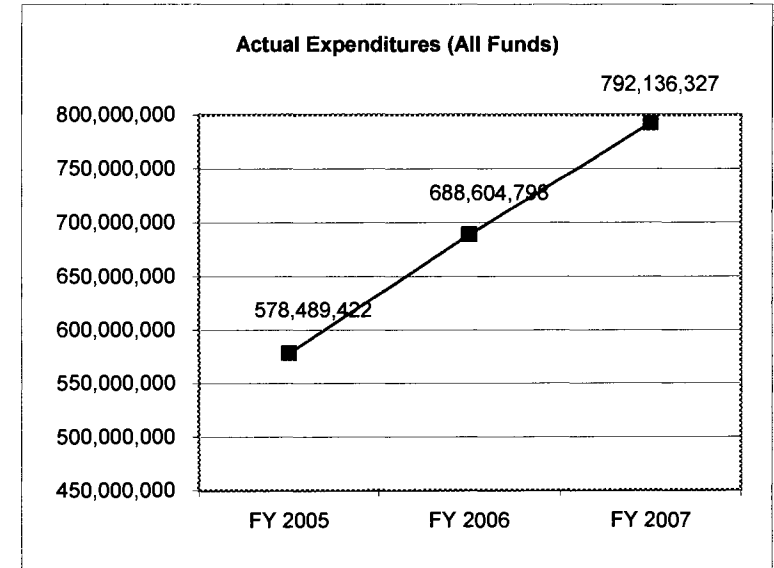
This core request is for ongoing funding to reimburse for hospital services and managed care premiums provided to Medicaid clients and the uninsured. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this FRA program appropriation.

## **3. PROGRAM LISTING (list programs included in this core funding)**

Hospital - Federal Reimbursement Allowance

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	602,283,000	689,613,669	792,136,351	752,000,000 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	602,283,000	689,613,669	792,136,351	N/A
Actual Expenditures (All Funds)	578,489,422	688,604,798	792,136,327	N/A
Unexpended (All Funds)	23,793,578	1,008,871	24	N/A
Unexpended, by Fund:				
General Revenue			0	N/A
Federal			0	N/A
Other	23,793,578	1,008,871	24	N/A
	(1)			
	(2)			



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriation for Federal Reimbursement Allowance Fund for FY 2005 thru FY 2007.

(1) Lapse of \$23,793,578 is excess FRA authority. Estimated appropriations were increased inappropriately.

(2) Includes 175% DSH payments.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****FED REIMB ALLOWANCE**

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**5. CORE RECONCILIATION DETAIL**

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				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				PD	0.00	0	0	752,000,000	752,000,000	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>752,000,000</b>	<b>752,000,000</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reallocation	907	1605		PD	0.00	0	0	(41,700,000)	(41,700,000)	DSH redirect to Insure Missouri
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>0</b>	<b>0</b>	<b>(41,700,000)</b>	<b>(41,700,000)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	0	0	710,300,000	710,300,000	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>710,300,000</b>	<b>710,300,000</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	0	0	710,300,000	710,300,000	
				<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>710,300,000</b>	<b>710,300,000</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
FED REIMB ALLOWANCE								
CORE								
PROGRAM DISTRIBUTIONS	792,136,327	0.00	752,000,000	0.00	710,300,000	0.00	710,300,000	0.00
TOTAL - PD	792,136,327	0.00	752,000,000	0.00	710,300,000	0.00	710,300,000	0.00
GRAND TOTAL	\$792,136,327	0.00	\$752,000,000	0.00	\$710,300,000	0.00	\$710,300,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$792,136,327	0.00	\$752,000,000	0.00	\$710,300,000	0.00	\$710,300,000	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Federal Reimbursement Allowance (FRA)

**Program is found in the following core budget(s):** Federal Reimbursement Allowance (FRA)

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides ongoing reimbursement for hospital services and managed care premiums provided to MO HealthNet participants and the uninsured.*

The FRA program provides payments for hospital inpatient services, outpatient services, managed care capitated payments and S-CHIP and Women's Health services (using the FRA assessment as general revenue equivalent). The FRA program supplements payments for the cost of providing care to Medicaid participants under Title XIX of the Social Security Act and to the uninsured. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund the FRA program.

Currently 143 hospitals participate in the FRA program. The FRA assessment is a percent of total operating revenue less tax revenue/other government appropriations, plus non-operating gains and losses as published by the Missouri Department of Health and Senior Services, Section of Health Statistics. For the first half of FY08, the assessment is 5.99% and for the second half it is 5.49%. The financial data is required to be submitted by the hospitals to the Missouri Department of Health and Senior Services. If the pertinent information is not available through the DHSS hospital database, the MO HealthNet Division will use the MO HealthNet data similarly defined from the MO HealthNet cost report. The program generates funding that is used to fund MO HealthNet programs.

The FRA program reimburses hospitals for certain cost as outlined below:

- Higher Inpatient Per Diems - Higher per diems were granted in October 1992 when the FRA program started. At that time, rates for the general plan hospitals were rebased to the 1990 cost reports. In April 1998, hospitals were rebased to the 1995 cost reports.
- Increased Outpatient Payment - 20% of outpatient costs are made through FRA funding. An outpatient prospective reimbursement methodology was implemented on July 1, 2002.
- Direct MO HealthNet Payments - The hospital receives additional lump sum payments to cover their unreimbursed costs for providing services to MO HealthNet patients. These payments, along with per diem payments, provide 100% of the cost for MO HealthNet participants.
- Uninsured Add-on - Payments for the cost of providing services to patients that do not have insurance (charity care and bad debts). For FY 2006, reimbursement for the uninsured cost was at 90% for non-Safety Net Hospitals and 100% for acute care Safety Net Hospital licensed for more than 50 beds or operated by DMH.
- Utilization Adjustment - This payment includes the utilization adjustment to recognize the increased cost per MO HealthNet patient day because of the reduction in total patient days caused by the implementation of MC+ Managed Care.
- Upper Payment Limit - An annual payment to hospitals for the costs of services to the uninsured not reimbursed through uninsured add-on payments.
- Enhanced GME - An annual payment to hospitals for Graduate Medical Education (GME) cost inflation not reimbursed in either the per diem or the Direct MO HealthNet payments.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.453; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 443 Subpart B.

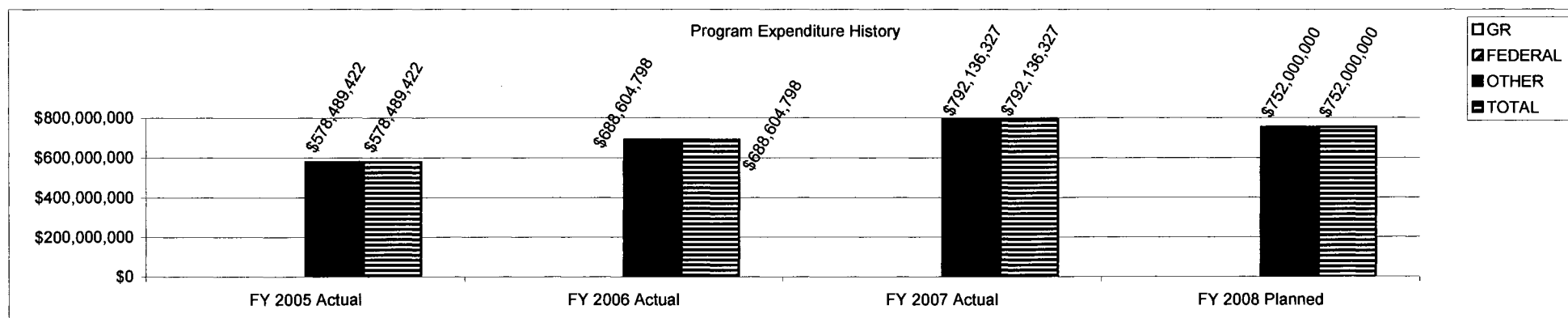
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%. The hospital assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Federal Reimbursement Allowance Fund (0142)



**7a. Provide an effectiveness measure.**

FRA as a Funding Source in the Various Appropriations	2005	2006	2007	2008
Managed Care	\$116,112,906	\$109,064,837	\$109,065,009	\$109,065,009
Hospital	\$89,438,465	\$129,642,328	\$129,642,328	\$115,267,390
Women's Health Services (1115-Adult)	\$423,516	\$167,756	\$167,756	\$167,756
S-CHIP (1115 Waiver-Children)	\$8,191,223	\$7,719,204	\$7,719,204	\$7,719,204
Revenue Max Admin	\$89,286	\$89,286	\$94,850	\$97,453

**7b. Provide an efficiency measure.**

FRA Tax Assessments Revenues Obtained	
SFY	
2005	\$636.1 mil
2006	\$764.3 mil
2007	\$824.1 mil
2008	\$864.2 mil estimated
2009	\$864.2 mil estimated
2010	\$864.2 mil estimated

**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

FRA payments are made on behalf of MO HealthNet eligibles and the uninsured accessing hospital services.

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	695,254	0.00	828,318	0.00	271,508	0.00	271,508	0.00
TITLE XIX-FEDERAL AND OTHER	1,692,128	0.00	1,950,964	0.00	1,787,857	0.00	1,787,857	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	167,756	0.00	167,756	0.00	167,756	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	30,411	0.00	30,411	0.00	30,411	0.00
TOTAL - PD	2,387,382	0.00	2,977,449	0.00	2,257,532	0.00	2,257,532	0.00
<b>TOTAL</b>	<b>2,387,382</b>	<b>0.00</b>	<b>2,977,449</b>	<b>0.00</b>	<b>2,257,532</b>	<b>0.00</b>	<b>2,257,532</b>	<b>0.00</b>
<b>MHN Caseload Growth - 1886006</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	42,682	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	345,339	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	388,021	0.00	0	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>388,021</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>Pharmacy PMPM Increase - 1886008</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	13,595	0.00	10,538	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	109,997	0.00	85,264	0.00
TOTAL - PD	0	0.00	0	0.00	123,592	0.00	95,802	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>123,592</b>	<b>0.00</b>	<b>95,802</b>	<b>0.00</b>
<b>CtoC SB 577 Women's Health Prg - 1886028</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,010,641	0.00	1,010,641	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	8,177,001	0.00	8,177,001	0.00
TOTAL - PD	0	0.00	0	0.00	9,187,642	0.00	9,187,642	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>9,187,642</b>	<b>0.00</b>	<b>9,187,642</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								

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# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	460,770	0.00	460,770	0.00
TOTAL - PD	0	0.00	0	0.00	460,770	0.00	460,770	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>460,770</b>	<b>0.00</b>	<b>460,770</b>	<b>0.00</b>
<b>Physicians Services Rate Incr - 1886034</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	166,656	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,348,402	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,515,058	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,515,058</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$2,387,382</b>	<b>0.00</b>	<b>\$2,977,449</b>	<b>0.00</b>	<b>\$12,417,557</b>	<b>0.00</b>	<b>\$13,516,804</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: Women's Health Services

Budget Unit: 90554C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	271,508	1,787,857	198,167	2,257,532
TRF				
Total	271,508	1,787,857	198,167	2,257,532

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Pharmacy Reimbursement Allowance Fund (0144)

Note: An "E" is requested for Federal Fund authority for \$1 Local Initiatives.

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	271,508	1,787,857	198,167	2,257,532
TRF				
Total	271,508	1,787,857	198,167	2,257,532

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Pharmacy Reimbursement Allowance Fund (0144)

Note: An "E" is requested for Federal Fund authority for \$1 Local Initiatives.

## 2. CORE DESCRIPTION

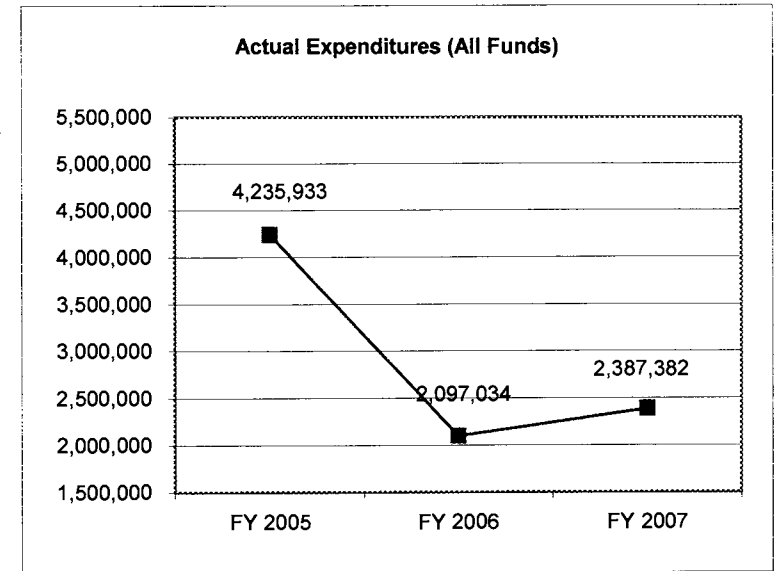
This core request is for ongoing funding for health care services provided to MO HealthNet participants covered through the 1115 Waiver. Funding for this core is used to provide coverage for women's health services.

## 3. PROGRAM LISTING (list programs included in this core funding)

Health Care Access - 1115 Waiver Adults

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	5,476,044	2,720,243	2,594,128	2,977,449 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	5,476,044	2,720,243	2,594,128	N/A
Actual Expenditures (All Funds)	4,235,933	2,097,034	2,387,382	N/A
Unexpended (All Funds)	1,240,111	623,209	206,746	N/A
Unexpended, by Fund:				
General Revenue	0	176,332	4,190	N/A
Federal	1,184,547	417,324	4,389	N/A
Other	55,564	29,553	198,167	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" for Federal Fund for FY 2005 thru FY 2007.

(1) Transitional Medical Assistance reduced from two years to one year.

(2) Lapse of \$176,332 in GR is agency reserve; \$417,324 in Federal; and \$29,553 in FRA. SB 539 eliminated the remaining year of Transitional Medical Assistance.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**

**WOMEN'S HEALTH SRVC**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				PD	0.00	828,318	1,950,964	198,167	2,977,449	
				<b>Total</b>	<b>0.00</b>	<b>828,318</b>	<b>1,950,964</b>	<b>198,167</b>	<b>2,977,449</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	881	4511		PD	0.00	(460,770)	0	0	(460,770)	FMAP Adjustment
Core Reallocation	958	4511		PD	0.00	(96,040)	0	0	(96,040)	Transfer Health Risk Appraisal Core funding to MO HealthNet Participant Case Management
Core Reallocation	958	2530		PD	0.00	0	(163,107)	0	(163,107)	Transfer Health Risk Appraisal Core funding to MO HealthNet Participant Case Management
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(556,810)</b>	<b>(163,107)</b>	<b>0</b>	<b>(719,917)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	271,508	1,787,857	198,167	2,257,532	
				<b>Total</b>	<b>0.00</b>	<b>271,508</b>	<b>1,787,857</b>	<b>198,167</b>	<b>2,257,532</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	271,508	1,787,857	198,167	2,257,532	
				<b>Total</b>	<b>0.00</b>	<b>271,508</b>	<b>1,787,857</b>	<b>198,167</b>	<b>2,257,532</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>WOMEN'S HEALTH SRVC</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	2,387,382	0.00	2,977,449	0.00	2,257,532	0.00	2,257,532	0.00
TOTAL - PD	2,387,382	0.00	2,977,449	0.00	2,257,532	0.00	2,257,532	0.00
<b>GRAND TOTAL</b>	<b>\$2,387,382</b>	<b>0.00</b>	<b>\$2,977,449</b>	<b>0.00</b>	<b>\$2,257,532</b>	<b>0.00</b>	<b>\$2,257,532</b>	<b>0.00</b>
GENERAL REVENUE	\$695,254	0.00	\$828,318	0.00	\$271,508	0.00	\$271,508	0.00
FEDERAL FUNDS	\$1,692,128	0.00	\$1,950,964	0.00	\$1,787,857	0.00	\$1,787,857	0.00
OTHER FUNDS	\$0	0.00	\$198,167	0.00	\$198,167	0.00	\$198,167	0.00



## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Women's Health Services**

**Program is found in the following core budget(s): Women's Health Services**

### **1. What does this program do?**

*PROGRAM SYNOPSIS: Provides funding for health care services to MO HealthNet participants covered by the 1115 waiver. The only MO HealthNet clients that remain covered through the 1115 waiver are the Women's Health Services group.*

Under the 1115 Waiver, uninsured women losing their MO HealthNet eligibility 60 days after the birth of their child are eligible for women's health services for one year (12 months). Women's health services are defined as:

- Department of Health and Human Services approved methods of contraception;
- Sexually transmitted disease testing and treatment, including pap tests and pelvic exams;
- Family planning counseling/education on various methods of birth control; and
- Drugs, supplies or devices related to the women's health services described above when they are prescribed by a physician or advanced practice nurse (subject to the national drug rebate program requirements.)

### **2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.040 and 208.151; Federal law: Social Security Act Sections 1115 and 1923(a)-(f); Federal Regulations: 42 CFR 433 Subpart B and 412.106.

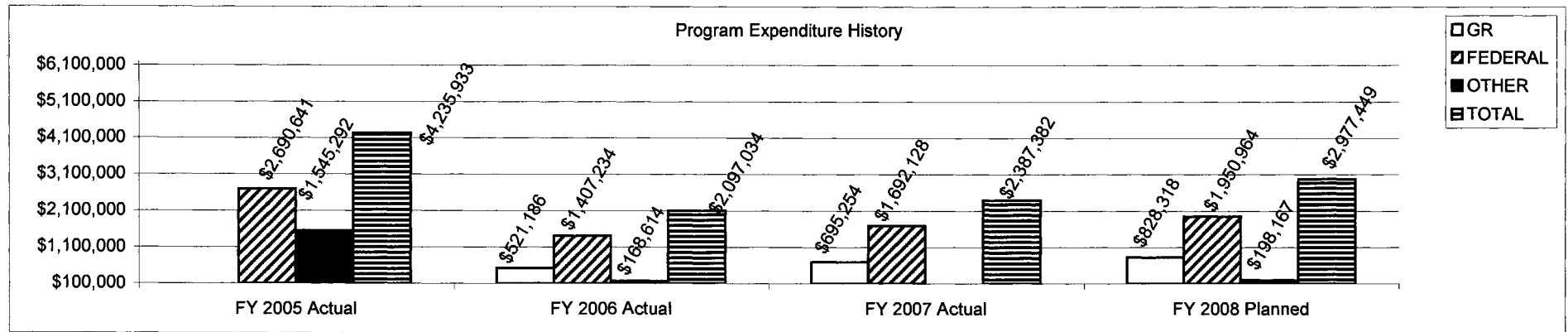
### **3. Are there federal matching requirements? If yes, please explain.**

Most of the Women's Health Services are eligible for an enhanced 90% federal match, requiring a state match of only 10%. The remaining services are matched at the federal medical assistance percentage (FMAP) calculated for MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's FMAP for FY08 for these remaining services is a blended 62.22% federal match. The state matching requirement is 37.78%.

### **4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

The Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144) and the Intergovernmental Transfer Fund (0163) in FY04 and FY05.

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

\* SB 577 (FY07) provided for an expansion of Women's Health Services to women 18 years and older with a net family income of 185% FPL or below, with assets less than \$250,000 and with no access to employer sponsored insurance. Approximately 82,571 additional women are expected to receive services due to this expansion, if additional funding is appropriated to cover this group.

Women's Health Services		
SFY	Actual	Projected
2005	10,025	
2006	12,279	
2007	17,054	
2008		44,368
2009		98,842*
2010		98,842

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	23,027,183	0.00	27,004,255	0.00	25,921,381	0.00	25,858,556	0.00
TITLE XIX-FEDERAL AND OTHER	81,265,600	0.00	116,245,104	0.00	115,459,513	0.00	115,459,513	0.00
PHARMACY REBATES	0	0.00	225,430	0.00	225,430	0.00	225,430	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	2,930,557	0.00	7,719,204	0.00	7,719,204	0.00	7,719,204	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	201,394	0.00	201,394	0.00	201,394	0.00
MEDICAID MNG CARE ORG REIMB AL	974,064	0.00	1,071,200	0.00	1,071,200	0.00	1,071,200	0.00
HEALTH INITIATIVES	612,843	0.00	5,375,576	0.00	5,375,576	0.00	5,375,576	0.00
PREMIUM	1,809,708	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL - PD	110,619,955	0.00	163,842,163	0.00	161,973,698	0.00	161,910,873	0.00
<b>TOTAL</b>	<b>110,619,955</b>	<b>0.00</b>	<b>163,842,163</b>	<b>0.00</b>	<b>161,973,698</b>	<b>0.00</b>	<b>161,910,873</b>	<b>0.00</b>
<b>Pharmacy PMPM Increase - 1886008</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	411,872	0.00	318,769	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,175,916	0.00	911,998	0.00
TOTAL - PD	0	0.00	0	0.00	1,587,788	0.00	1,230,767	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,587,788</b>	<b>0.00</b>	<b>1,230,767</b>	<b>0.00</b>
<b>Managed Care Rate Increase - 1886009</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,734,607	0.00	1,731,932	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	4,952,389	0.00	4,955,064	0.00
TOTAL - PD	0	0.00	0	0.00	6,686,996	0.00	6,686,996	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>6,686,996</b>	<b>0.00</b>	<b>6,686,996</b>	<b>0.00</b>
<b>CtoC SB 577 SCHIP Expansion - 1886027</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,241,456	0.00	1,239,542	0.00

# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>CHILDREN'S HEALTH INS PROGRAM</b>								
CtoC SB 577 SCHIP Expansion - 1886027								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,544,420	0.00	3,546,334	0.00
TOTAL - PD	0	0.00	0	0.00	4,785,876	0.00	4,785,876	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4,785,876</b>	<b>0.00</b>	<b>4,785,876</b>	<b>0.00</b>
<b>FMAP - 1886014</b>								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	807,715	0.00	870,540	0.00
TOTAL - PD	0	0.00	0	0.00	807,715	0.00	870,540	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>807,715</b>	<b>0.00</b>	<b>870,540</b>	<b>0.00</b>
<b>Physicians Services Rate Incr - 1886034</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	868,941	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	2,486,042	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,354,983	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>3,354,983</b>	<b>0.00</b>
<b>Dental Rate Increase - 1886035</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	253,851	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	726,269	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	980,120	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>980,120</b>	<b>0.00</b>
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	19,089	0.00

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>CHILDREN'S HEALTH INS PROGRAM</b>									
<b>SB 16 Comprehensive Eye Exams - 1886041</b>									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	54,615	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	73,704	0.00	
TOTAL	0	0.00	0	0.00	0	0.00	73,704	0.00	
<b>GRAND TOTAL</b>	<b>\$110,619,955</b>	<b>0.00</b>	<b>\$163,842,163</b>	<b>0.00</b>	<b>\$175,842,073</b>	<b>0.00</b>	<b>\$179,893,859</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: SCHIP

Budget Unit: 90556C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	25,921,381	115,459,513	20,592,804	161,973,698
TRF				
Total	<b>25,921,381</b>	<b>115,459,513</b>	<b>20,592,804</b>	<b>161,973,698</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Medicaid Managed Care Organization Reimb Allowance Fund (0160)  
Health Initiatives Fund (HIF) (0275)  
Pharmacy Rebates Fund (0114)  
Pharmacy Reimbursement Allowance Fund (0144)  
Premium Fund (0885)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	25,858,556	115,459,513	20,592,804	161,910,873
TRF				
Total	<b>25,858,556</b>	<b>115,459,513</b>	<b>20,592,804</b>	<b>161,910,873</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Medicaid Managed Care Organization Reimb Allowance Fund (0160)  
Health Initiatives Fund (HIF) (0275)  
Pharmacy Rebates Fund (0114)  
Pharmacy Reimbursement Allowance Fund (0144)  
Premium Fund (0885)

## 2. CORE DESCRIPTION

This core request is for ongoing funding for health care services provided under the State Children's Health Insurance Program (SCHIP). Title XXI funds are utilized for this expanded MO HealthNet population. Funding for this core is used to provide coverage for uninsured children.

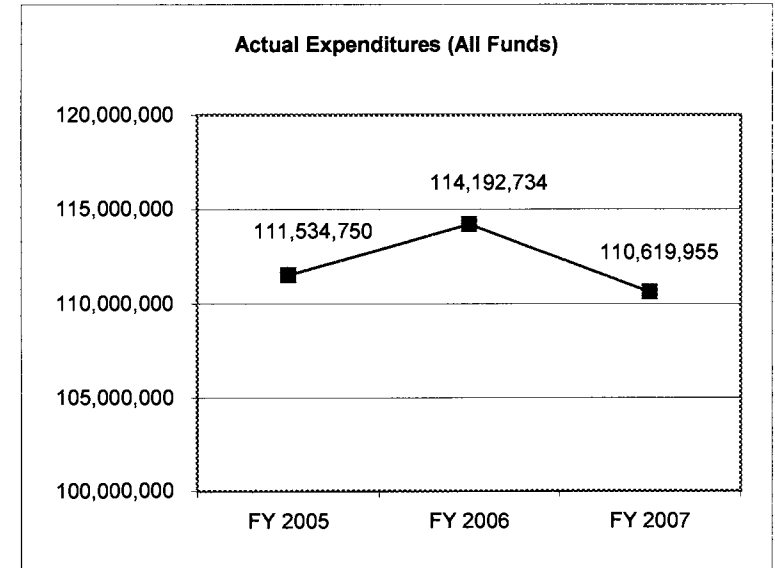
## 3. PROGRAM LISTING (list programs included in this core funding)

Children's Health Insurance Program (CHIP)



#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	112,243,620	137,716,363	146,574,262	163,842,163
Less Reverted (All Funds)	(151,443)	(156,113)	(161,267)	N/A
Budget Authority (All Funds)	112,092,177	137,560,250	146,412,995	N/A
Actual Expenditures (All Funds)	111,534,750	114,192,734	110,619,955	N/A
Unexpended (All Funds)	557,427	23,367,516	35,793,040	N/A
Unexpended, by Fund:				
General Revenue	0	0		N/A
Federal	0	14,544,675	21,688,675	N/A
Other	557,427	8,822,841	14,104,365	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

(1) Agency reserve of \$550,000 in Premium Fund. Expenditures of \$3,399,176 paid from the Supplemental Pool.

(2) Agency reserve of \$4,105,257 is excess Premium Fund authority. Lapses of \$3,572,226 in HIF; \$14,544,674 in Federal; \$899,340 in FRA; \$179,490 in MC-FRA and \$66,528 in Premium Fund due to SB 539 changes in CHIP premium structure.

(3) Agency reserve of \$4,185,455 is excess Premium Fund authority.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**CHILDREN'S HEALTH INS PROGRAM**

**5. CORE RECONCILIATION DETAIL**

				<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>										
				PD	0.00	27,004,255	116,245,104	20,592,804	163,842,163	
				<b>Total</b>	<b>0.00</b>	<b>27,004,255</b>	<b>116,245,104</b>	<b>20,592,804</b>	<b>163,842,163</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reduction	882	2866		PD	0.00	(807,715)	0	0	(807,715)	FMAP Adjustment
Core Reallocation	959	2867		PD	0.00	0	(785,591)	0	(785,591)	Transfer Health Risk Appraisal Core funding to MO HealthNet Participant Case Management
Core Reallocation	959	2866		PD	0.00	(275,159)	0	0	(275,159)	Transfer Health Risk Appraisal Core funding to MO HealthNet Participant Case Management
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>(1,082,874)</b>	<b>(785,591)</b>	<b>0</b>	<b>(1,868,465)</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	25,921,381	115,459,513	20,592,804	161,973,698	
				<b>Total</b>	<b>0.00</b>	<b>25,921,381</b>	<b>115,459,513</b>	<b>20,592,804</b>	<b>161,973,698</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>										
Core Reduction	882	2866		PD	0.00	(62,825)	0	0	(62,825)	FMAP Adjustment
<b>NET GOVERNOR CHANGES</b>					<b>0.00</b>	<b>(62,825)</b>	<b>0</b>	<b>0</b>	<b>(62,825)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	25,858,556	115,459,513	20,592,804	161,910,873	
				<b>Total</b>	<b>0.00</b>	<b>25,858,556</b>	<b>115,459,513</b>	<b>20,592,804</b>	<b>161,910,873</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CHILDREN'S HEALTH INS PROGRAM								
CORE								
PROGRAM DISTRIBUTIONS	110,619,955	0.00	163,842,163	0.00	161,973,698	0.00	161,910,873	0.00
TOTAL - PD	110,619,955	0.00	163,842,163	0.00	161,973,698	0.00	161,910,873	0.00
GRAND TOTAL	\$110,619,955	0.00	\$163,842,163	0.00	\$161,973,698	0.00	\$161,910,873	0.00
GENERAL REVENUE	\$23,027,183	0.00	\$27,004,255	0.00	\$25,921,381	0.00	\$25,858,556	0.00
FEDERAL FUNDS	\$81,265,600	0.00	\$116,245,104	0.00	\$115,459,513	0.00	\$115,459,513	0.00
OTHER FUNDS	\$6,327,172	0.00	\$20,592,804	0.00	\$20,592,804	0.00	\$20,592,804	0.00

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: State Children's Health Insurance Program (SCHIP)

Program is found in the following core budget(s): State Children's Health Insurance Program (SCHIP)

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides for eligibility for health care services to MO HealthNet participants covered through the State Children's Health Insurance Program (SCHIP) State Plan Amendment. SCHIP provides coverage to uninsured children above existing MO HealthNet eligibility limits up to 300% of poverty.*

The State Children's Health Insurance Program (Title XXI) is integrated into Missouri's expanded MO HealthNet coverage. This integration was made possible through the passage of Senate Bill 632 of the second regular session of the 89th General Assembly (1998). Senate Bill 632 expanded the MO HealthNet program for children with family incomes from 200% to 300% of the federal poverty level.

Using SCHIP, Missouri continues its commitment to improve medical care for its low income children by increasing their access to comprehensive medical services.

Eligible children must be under age 19, have a family income below 300% of the federal poverty level, be uninsured for six months or more, and have no access to other health insurance coverage for less than \$64 to \$161 per month based on family size and income. Any child identified as having special health care needs (defined as a condition which left untreated would result in the death or serious physical injury of a child) that does not have access to affordable employer-subsidized health care insurance will not be required to be without health care coverage for six months in order to be eligible for services. They also will not be subject to the waiting period as long as the child meets all other qualifications for eligibility.

Uninsured children with family income less than 151% FPL will receive a package of benefits equal to MO HealthNet coverage. Uninsured children with family income more than 151% FPL will receive a package of benefits equal to MO HealthNet coverage, without non-emergency medical transportation. Parents of children eligible for coverage above 150% and below 300% of the federal poverty level must show parental responsibility through the following:

- participation in immunization and wellness programs;
- furnishing the uninsured child's social security number;
- cooperation with third party insurance carriers;
- cooperation in child support cases; and
- sharing in their children's health care costs through premiums.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.631 through 208.657; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

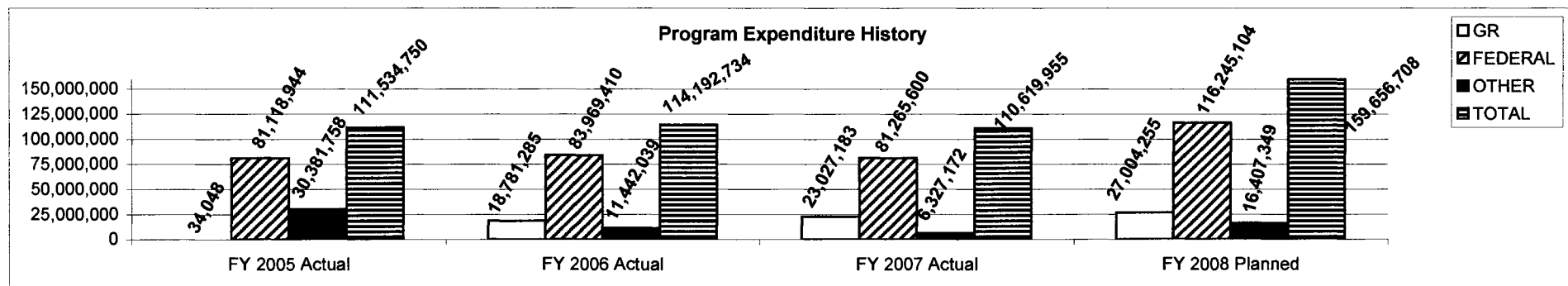
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced SCHIP FMAP for FY08 is a blended 73.55% federal match. The state matching requirement for the SCHIP program is 26.45%.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Pharmacy Rebates Fund (0114), Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund (0275), Premium Fund (0885), and Intergovernmental Transfer (0139) were not available in FY 06. Medicaid Managed Care Organization Reimbursement Allowance Fund (0160) was new in FY 06. Pharmacy Rebates Fund (0114), Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund (0275), Premium Fund (0885), and Medicaid Managed Care Organization Reimbursement Allowance Fund (0160) were available in FY 07 and comprise the total of "other" funds.

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

Children above existing Title XIX  
Medicaid eligibility up to 300% of  
poverty.

Children Receiving Services by Percent of Federal Poverty Level								
SFY	101-150%		151-185%		186-225%		226-300%*	
	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected
2005	42,075		29,239		19,062		1,789	
2006	41,396		11,789		6,603		2,141	
2007	42,277		12,490		6,615		1,987	
2008		42,277		16,152		7,195		4,094
2009		42,277		18,297		7,535		5,329
2010		42,277		18,297		7,535		5,329

\*Reflects only those paying a premium. As of September, 2005 premiums are required from families with income from 151-300% FPL.

**7d. Provide a customer satisfaction measure, if available.**



**NEW DECISION ITEM  
RANK: 18**

Department: Social Services  
Division: MO HealthNet  
DI Name: Cost to Continue--SB 577 - SCHIP Expansion

Budget Unit: 90556C  
DI#: 1886027

**1. AMOUNT OF REQUEST**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	1,241,456	3,544,420		4,785,876
TRF				
<b>Total</b>	<b>1,241,456</b>	<b>3,544,420</b>		<b>4,785,876</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2009 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD	1,239,542	3,546,334		4,785,876
TRF				
<b>Total</b>	<b>1,239,542</b>	<b>3,546,334</b>		<b>4,785,876</b>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other: Rule Change	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: This funding is requested for services to children who may enroll in SCHIP because of rule changes regarding the definitions of "affordable insurance" and "uninsured". Changes are part of legislation passed in FY 07 - SB 577.

Children whose health insurance plan does not cover pre-existing conditions now may enter SCHIP because their plan will not be considered affordable. Children who have exceeded the annual coverage limits of their health insurance plan may enter SCHIP because they are considered uninsured.



**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

Funding for services for children entering SCHIP due to pre-existing conditions is based on an estimate of 2,353 new eligible children. The cost per eligible is based on the cost for SCHIP eligibles less the amount of premiums expected to be collected. The count of estimated eligibles was multiplied by the cost per eligible to arrive at projected cost of \$3,027,403. Request is same as estimate in SB 577.

Funding for services for children entering SCHIP due to exceeding their annual coverage limit is based on an estimate of 1,367 new eligible children. The cost per eligible is based on the cost for SCHIP eligibles less the amount of premiums expected to be collected. The count of eligibles is multiplied by the cost per eligible to arrive at the projected cost of \$1,758,473. Request is same as estimate in SB 577.

	Total	GR	Federal
Pre-exist condition	3,027,403	785,308	2,242,095
Exceed coverage	1,758,473	456,148	1,302,325
Total	4,785,876	1,241,456	3,544,420

Governor's Recommendation:

Governor's Recommendation includes updated FMAP.

	Total	GR	Federal
Pre-exist condition	3,027,403	784,097	2,243,306
Exceed coverage	1,758,473	455,445	1,303,028
Total	4,785,876	1,239,542	3,546,334

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	1,241,456		3,544,420				4,785,876		
Total PSD	1,241,456		3,544,420		0		4,785,876		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	1,241,456	0.0	3,544,420	0.0	0	0.0	4,785,876	0.0	0

**5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	1,239,542		3,546,334				4,785,876		
Total PSD	1,239,542		3,546,334		0		4,785,876		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	1,239,542	0.0	3,546,334	0.0	0	0.0	4,785,876	0.0	0

**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**

**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

Children above existing Title XIX  
Medicaid eligibility up to 300% of  
poverty.

Children Receiving Services by Percent of Federal Poverty Level								
SFY	101-150%		151-185%		186-225%		226-300%*	
	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected
2005	42,075		29,239		19,062		1,789	
2006	41,396		11,789		6,603		2,141	
2007	42,277		12,490		6,615		1,987	
2008		42,277		16,152		7,195		4,094
2009		42,277		18,297		7,535		5,329
2010		42,277		18,297		7,535		5,329

\*Reflects only those paying a premium. As of September, 2005 premiums are required from families with income from 151-300% FPL.

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Identify providers currently serving the targeted population to invite them to participate in the chronic care improvement program.
- Make personal visits with providers to explain the program and assist with enrollment paperwork.
- Focus on clinical benefits of their participation as well as showing providers the financial incentives.
- Reinforce clinical areas for improvement and provide clinical education where appropriate.
- Dedicated help desk for provider support.
- Evaluate edits causing the largest denials.
- Post on the Internet the most common billing errors and how to avoid them.
- Conduct provider education seminars.
- Assure provider manuals are updated timely.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CHILDREN'S HEALTH INS PROGRAM								
CtoC SB 577 SCHIP Expansion - 1886027								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,785,876	0.00	4,785,876	0.00
TOTAL - PD	0	0.00	0	0.00	4,785,876	0.00	4,785,876	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$4,785,876	0.00	\$4,785,876	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,241,456	0.00	\$1,239,542	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$3,544,420	0.00	\$3,546,334	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>INSURE MISSOURI</b>								
<b>CORE</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	5,000,000	0.00	19,400,000	0.00	19,400,000	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	8,235,000	0.00	8,235,000	0.00	8,235,000	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	1	0.00	41,700,001	0.00	41,700,001	0.00
TOTAL - PD	0	0.00	13,235,001	0.00	69,335,001	0.00	69,335,001	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>13,235,001</b>	<b>0.00</b>	<b>69,335,001</b>	<b>0.00</b>	<b>69,335,001</b>	<b>0.00</b>
<b>Insure Missouri - 1886015</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	27,400,000	0.00	27,400,000	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	248,765,000	0.00	248,765,000	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	71,400,000	0.00	71,400,000	0.00
TOTAL - PD	0	0.00	0	0.00	347,565,000	0.00	347,565,000	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>347,565,000</b>	<b>0.00</b>	<b>347,565,000</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$13,235,001</b>	<b>0.00</b>	<b>\$416,900,001</b>	<b>0.00</b>	<b>\$416,900,001</b>	<b>0.00</b>



**CORE DECISION ITEM**

Department: Social Services  
Division: MO HealthNet  
Appropriation: Insure Missouri

Budget Unit: 90565C

**1. CORE FINANCIAL SUMMARY**

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	19,400,000	8,235,000	41,700,001	69,335,001 E
TRF				
Total	<u>19,400,000</u>	<u>8,235,000</u>	<u>41,700,001</u>	<u>69,335,001 E</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (0142)

Note: An "E" is requested for Federal Funds and Federal Reimbursement Allowance Fund

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	19,400,000	8,235,000	41,700,001	69,335,001 E
TRF				
Total	<u>19,400,000</u>	<u>8,235,000</u>	<u>41,700,001</u>	<u>69,335,001 E</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (0142)

Note: An "E" is requested for Federal Funds and Federal Reimbursement Allowance Fund

**2. CORE DESCRIPTION**

Core funding for the administration of the Insure Missouri program. The core request reflects FY 08 appropriations plus redirections from other existing sources. See the core reconciliation on page 481.

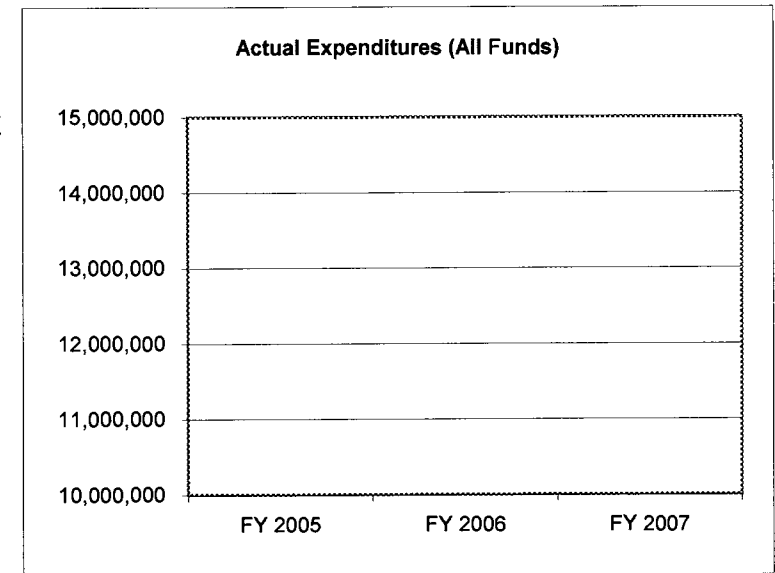
**3. PROGRAM LISTING (list programs included in this core funding)**

Insure Missouri



#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	0	0	13,235,001 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
				(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriation for Federal Reimbursement Allowance Fund.

(1) New Program in FY 2008. Actual expenditures are expected to be higher for FY 08, and will be supported by increasing the estimated

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES

### INSURE MISSOURI

#### 5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>										
				PD	0.00	5,000,000	8,235,000	1	13,235,001	
				<b>Total</b>	<b>0.00</b>	<b>5,000,000</b>	<b>8,235,000</b>	<b>1</b>	<b>13,235,001</b>	
<b>DEPARTMENT CORE ADJUSTMENTS</b>										
Core Reallocation	913	4252	PD		0.00	14,400,000	0	0	14,400,000	Transfer in from Hospital section
Core Reallocation	914	4260	PD		0.00	0	0	41,700,000	41,700,000	DSH redirect from FRA
<b>NET DEPARTMENT CHANGES</b>					<b>0.00</b>	<b>14,400,000</b>	<b>0</b>	<b>41,700,000</b>	<b>56,100,000</b>	
<b>DEPARTMENT CORE REQUEST</b>										
				PD	0.00	19,400,000	8,235,000	41,700,001	69,335,001	
				<b>Total</b>	<b>0.00</b>	<b>19,400,000</b>	<b>8,235,000</b>	<b>41,700,001</b>	<b>69,335,001</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>										
				PD	0.00	19,400,000	8,235,000	41,700,001	69,335,001	
				<b>Total</b>	<b>0.00</b>	<b>19,400,000</b>	<b>8,235,000</b>	<b>41,700,001</b>	<b>69,335,001</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
INSURE MISSOURI								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	13,235,001	0.00	69,335,001	0.00	69,335,001	0.00
TOTAL - PD	0	0.00	13,235,001	0.00	69,335,001	0.00	69,335,001	0.00
GRAND TOTAL	\$0	0.00	\$13,235,001	0.00	\$69,335,001	0.00	\$69,335,001	0.00
GENERAL REVENUE	\$0	0.00	\$5,000,000	0.00	\$19,400,000	0.00	\$19,400,000	0.00
FEDERAL FUNDS	\$0	0.00	\$8,235,000	0.00	\$8,235,000	0.00	\$8,235,000	0.00
OTHER FUNDS	\$0	0.00	\$1	0.00	\$41,700,001	0.00	\$41,700,001	0.00

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## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: Insure Missouri**

**Program is found in the following core budget(s): Insure Missouri**

### 1. What does this program do?

*Program Synopsis: Provides new access to affordable health coverage for lower income uninsured Missourians who are working. Governor Blunt's proposal also includes a component that makes private insurance more affordable to employees of small businesses.*

According to the US Census Bureau (uninsured 2005-2006) there are 719,000 Missourians without health insurance. However the uninsured are consumers of health care services and often access their health care in the most expensive setting - the emergency room. This costly and inefficient use of health care resources results in cost shifting to insured persons, employers that offer health insurance and the state and federal governments. Costs not shifted to other payers results in uncompensated costs for health care providers. The increasing cost of health care is causing fewer employers offering health insurance to their employees and in fewer employees participating in health insurance offerings of their employers. All of this leads to growth in the number of uninsured workers.

Insure Missouri provides new access to affordable health coverage for lower income uninsured working families.

Insure Missouri is designed to be implemented in Phases. Phase 1 is directed at custodial parents with incomes below 100% of FPL. Phase 2 would expand coverage incrementally over a period of several years (subject to appropriation by the General Assembly) to other working families with incomes up to 185% of the federal poverty level. Phase 3 would focus on strategies to improve the affordability of health insurance for small employers to extend coverage to their workers. Insure Missouri is designed to use a modest General Revenue investment to leverage other funding streams including federal Title XIX match, Federal Reimbursement Allowance, and redirected DSH payment (hospital charity care reimbursement). As proposed by Governor Blunt, the state's General Revenue investment would only be about 5% of the total program cost once fully implemented.

Phases 1 and Phase 2 (as recommended by Governor Blunt) will provide health care through private health plans selected by a competitive process. Copayments will be required. The state will be divided into seven regions, with multiple plan offerings for each region. Insure Missouri participants will have the opportunity to select their health plan with the network and options that best fits their needs. As Phase 2 implementation progresses, different coverage strategies may be developed for higher income groups.

The benefit package will be comparable to standard employer coverage with benefits including prescription drugs; physician services; home health services; hospital and emergency services; durable medical equipment and mental health services.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

HB 11.525 (FY2008)

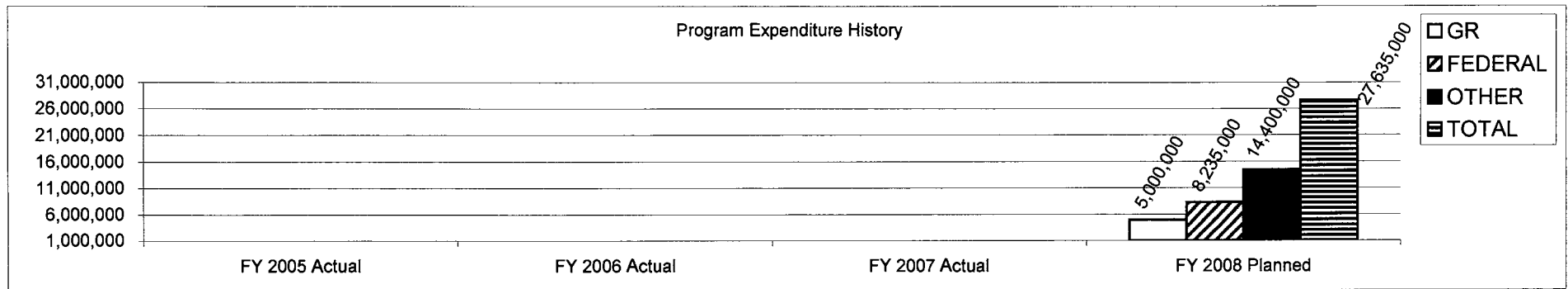
### 3. Are there federal matching requirements? If yes, please explain.

There is a state plan amendment approved for Insure Missouri Phase One. Federal funds are available to at the FMAP (63% in SFY 09) to fund Phase 1. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. Federal funding to support Insure Missouri Phases 2 and 3 is contingent on a waiver approval. A waiver would allow for the same match rate as Phase 1.

### 4. Is this a federally mandated program? If yes, please explain.

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**

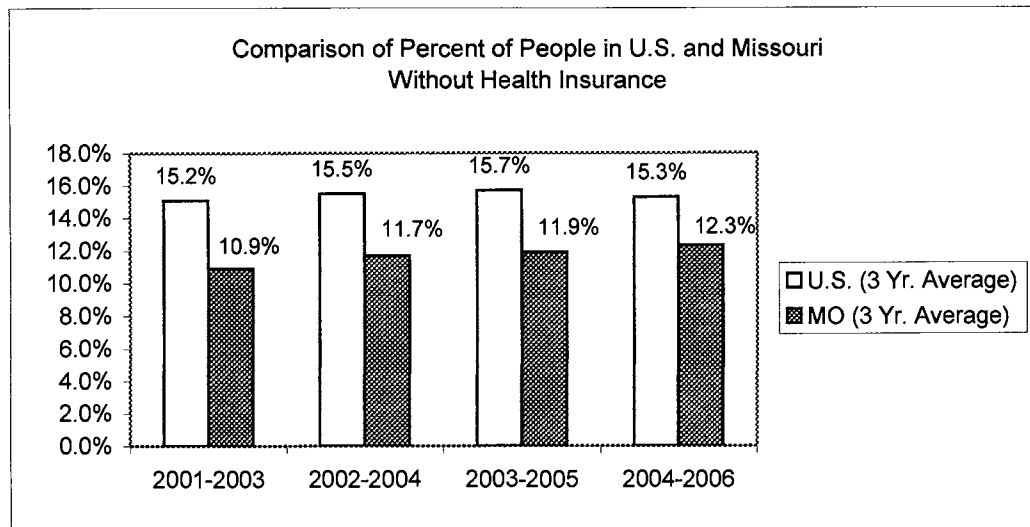


Note: Planned FY 2008 federal expenditures will include \$23,865,000 from the MO HealthNet Supplemental Pool not shown in the chart above.

**6. What are the sources of the "Other " funds?**

Federal Reimbursement Allowance Fund (FRA) (0142) - \$1 E

**7a. Provide an effectiveness measure.**



**7b. Provide an efficiency measure.**

**Potential Covered Lives - Insure Missouri**

	<u>Estimated *</u>	<u>Actual</u>
FY 2008	54,531	
FY 2009	131,584	
FY 2010	149,092	
FY 2011	166,752	
FY 2012	189,787	

\* assumes full funding of the Insure Missouri program as proposed by Governor Blunt in fiscal years 2010 - 2012. Actual growth will be controlled by the General Assembly.

**7c. Provide the number of clients/individuals served, if applicable.**

**7d. Provide a customer satisfaction measure, if available.**



**NEW DECISION ITEM  
RANK: 23**

Department: Social Services  
Division: MO HealthNet Division  
DI Name: Insure Missouri

Budget Unit: 90565C  
DI#: 1886015

**1. AMOUNT OF REQUEST**

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	27,400,000	248,765,000	71,400,000	347,565,000
TRF				
Total	<u>27,400,000</u>	<u>248,765,000</u>	<u>71,400,000</u>	<u>347,565,000</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

	FY 2009 Governor's Recommendation			
	GR	Fed	Other	Total
PS				
EE				
PSD	27,400,000	248,765,000	71,400,000	347,565,000
TRF				
Total	<u>27,400,000</u>	<u>248,765,000</u>	<u>71,400,000</u>	<u>347,565,000</u>
FTE				0.00

<b>Est. Fringe</b>	0	0	0	0
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*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

<input type="checkbox"/> New Legislation	<input checked="" type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

**3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.**

NDI SYNOPSIS: This new decision item will provide funds for access to affordable health coverage for lower income uninsured working Missouri families. Care will be provided through private health care plans that have been selected by a competitive process. Funding for a small employer pilot program is also requested. This pilot is in development.



According to the US Census Bureau (uninsured 2005-2006) there are 719,000 Missourians without health insurance. However the uninsured are consumers of health care services and often access their health care in the most expensive setting - the emergency room. This costly and inefficient use of health care resources results in cost shifting to insured persons, employers that offer health insurance and the state and federal governments. Costs not shifted to other payers results in uncompensated costs for health care providers. The increasing cost of health care is causing fewer employers offering health insurance to their employees and in fewer employees participating in health insurance offerings of their employers. All of this leads to growth in the number of uninsured workers.

Insure Missouri provides new access to affordable health coverage for lower income uninsured working families.

Insure Missouri is designed to be implemented in Phases. Phase 1 is directed at custodial parents with incomes below 100% of FPL. Phase 2 would expand coverage incrementally over a period of several years (subject to appropriation by the General Assembly) to other working families with incomes up to 185% of the federal poverty level. Phase 3 would focus on strategies to improve the affordability of health insurance for small employers to extend coverage to their workers. Insure Missouri is designed to use a modest General Revenue investment to leverage other funding streams including federal Title XIX match, Federal Reimbursement Allowance, and redirected DSH payment (hospital charity care reimbursement). As proposed by Governor Blunt, the state's General Revenue investment would only be about 5% of the total program cost once fully implemented.

This NDI provides funding for four purposes

- 1) To continue funding for health care coverage for working parents up to 100% FPL. This is to begin in the spring of 2008 (Phase 1).
- 2) To provide coverage for working parents and other adults up to 120% FPL (beginning of Phase 2). Governor Blunt proposes funding Phase 2 in increments up to 185% of poverty. How quickly Phase 2 expands will be controlled by the General Assembly. In addition, the strategies used to address the health care needs of the Phase 2 population will be developed with input from the General Assembly.
- 3) To develop a pilot program that will promote the provision of health insurance through small employers by helping them reduce the cost of coverage through reinsurance, risk mitigation, pooling strategies, or some similar approach (Phase 3).
- 4) To support contracted administrative costs.

As proposed by Governor Blunt, once fully implemented, Insure Missouri has the potential to reduce the number of uninsured Missourians by up to 30%.

**4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The FY 2009 budget request for Insure Missouri including the core, redirects and this new decision item is \$416.9 million. A breakout of the funding sources and the budget request by phase follows. The FY 2009 Insure Missouri budget request is estimated to provide coverage to 131,584 Missourians. Costs are based on a phase-in of eligibles.

<u>Core</u>			
FY 2009 core (HB 11.525)	\$5.0	\$8.2	\$13.2
<u>Redirects</u>			
GR redirect from Hospital section (pickup FRA)	\$14.4		\$14.4
Redirect DSH (Disproportionate Share Hospitals) from FRA section		\$41.7	\$41.7
<u>New Decision Item</u>			
Set aside for 6 mo impact from the tax cap change from 6% to 5.5%. Will not need in Hospital section (FRA pickup)	\$12.4		\$12.4
Second installment of Governor's \$20.0M GR commitment	\$15.0		\$15.0
New FRA commitment		\$71.4	\$71.4
Federal matching funds		\$248.8	\$248.8
<b>Total FY 2009</b>	<b>\$46.8</b>	<b>\$257.0</b>	<b>\$416.9</b>

Includes \$41.7 mil DSH Redirect

Phase One: Working Parents to 100%	\$46.8	\$146.8	\$39.4	\$233.0
Phase Two: Working Parents and Other Adults to 120%		\$108.1	\$72.0	\$180.1
Phase Three: Small Employer Pilot		\$1.5	\$1.0	\$2.5
Contracted Administration		\$0.65	\$0.65	\$1.3
	<b>\$46.8</b>	<b>\$257.0</b>	<b>\$113.1</b>	<b>\$416.9</b>

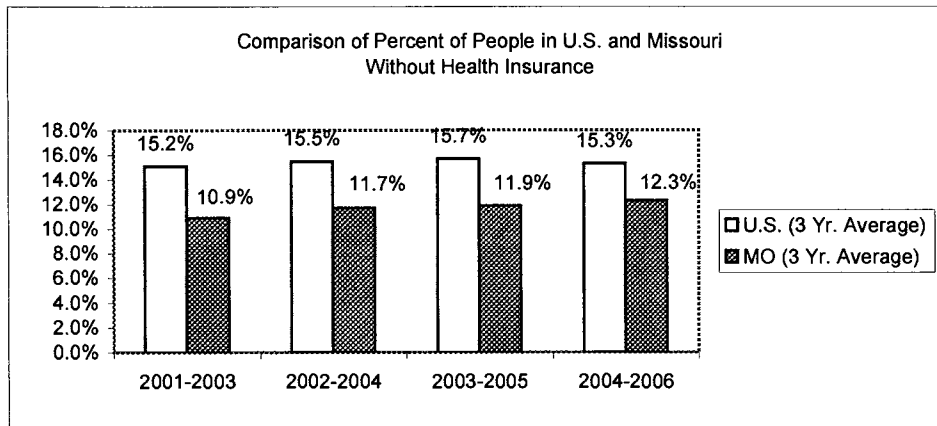
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	27,400,000		248,765,000		71,400,000		347,565,000		
Total PSD	27,400,000		248,765,000		71,400,000		347,565,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	27,400,000	0.0	248,765,000	0.0	71,400,000	0.0	347,565,000	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	27,400,000		248,765,000		71,400,000		347,565,000		
Total PSD	27,400,000		248,765,000		71,400,000		347,565,000		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	27,400,000	0.0	248,765,000	0.0	71,400,000	0.0	347,565,000	0.0	0

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**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)**

**6a. Provide an effectiveness measure.**



**6b. Provide an efficiency measure.**

**6c. Provide the number of clients/individuals served, if applicable.**

**6d. Provide a customer satisfaction measure, if available.**

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

- Develop an electronic application process for Insure Missouri.
- Pursue a waivers to allow for federal funding of Phase 2 up to 120% of the federal poverty level and for the Phase 3 small employer pilot.
- Competitively bid services from health care plans to cover Phase 1 and Phase 2 Insure Missouri participants.

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>INSURE MISSOURI</b>								
<b>Insure Missouri - 1886015</b>								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	347,565,000	0.00	347,565,000	0.00
TOTAL - PD	0	0.00	0	0.00	347,565,000	0.00	347,565,000	0.00
<b>GRAND TOTAL</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>0.00</b>	<b>\$347,565,000</b>	<b>0.00</b>	<b>\$347,565,000</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$27,400,000	0.00	\$27,400,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$248,765,000	0.00	\$248,765,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$71,400,000	0.00	\$71,400,000	0.00



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>NURSING FACILITY FED REIMB AL</b>									
<b>CORE</b>									
<b>PROGRAM-SPECIFIC</b>									
NURSING FACILITY FED REIM ALLW	193,919,399	0.00	213,840,231	0.00	213,840,231	0.00	213,840,231	0.00	
TOTAL - PD	193,919,399	0.00	213,840,231	0.00	213,840,231	0.00	213,840,231	0.00	
<b>TOTAL</b>	<b>193,919,399</b>	<b>0.00</b>	<b>213,840,231</b>	<b>0.00</b>	<b>213,840,231</b>	<b>0.00</b>	<b>213,840,231</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$193,919,399</b>	<b>0.00</b>	<b>\$213,840,231</b>	<b>0.00</b>	<b>\$213,840,231</b>	<b>0.00</b>	<b>\$213,840,231</b>	<b>0.00</b>	





# CORE DECISION ITEM

Department: Social Services

Budget Unit: 90567C

Division: MO HealthNet

Appropriation: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request					FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD			213,840,231	213,840,231	PSD			213,840,231	213,840,231
TRF					TRF				
Total			213,840,231	213,840,231	Total			213,840,231	213,840,231
FTE				0.00	FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFRA) (0196)

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFRA) (0196)

Notes: An "E" is requested for the Nursing Facility Federal Reimbursement Allowance Fund

Notes: An "E" is requested for the Nursing Facility Federal Reimbursement Allowance Fund

## 2. CORE DESCRIPTION

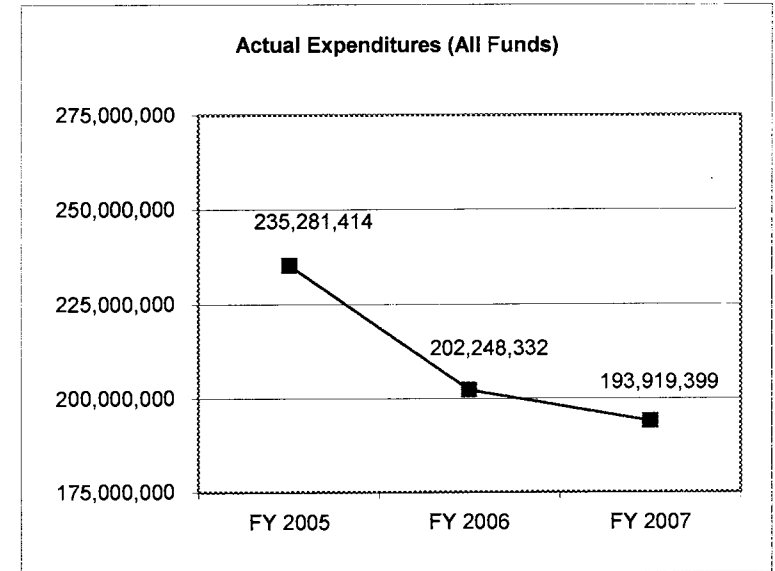
This core request is for ongoing funding for payments for long term care for Title XIX recipients. Funds from this core are used to provide enhanced payment rates for improving the quality of patient care using the Nursing Facility Federal Reimbursement Allowance under the Title XIX of the Social Security Act as General Revenue equivalent. Nursing facilities are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this NFRA program appropriation.

## 3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities Federal Reimbursement Allowance (NFFRA) Program

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	235,281,440	217,000,000	217,000,000	213,840,231 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	235,281,440	217,000,000	217,000,000	N/A
Actual Expenditures (All Funds)	235,281,414	202,248,332	193,919,399	N/A
Unexpended (All Funds)	26	14,751,668	23,080,601	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	26	14,751,668	23,080,601	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriations for Nursing Facility Federal Reimbursement Allowance Fund for FY 2005 thru FY 2008.

(1) Increase in expenditures is due to tax increase and accumulated payments from delayed State Plan Amendment approval. Tax increase was needed to fund the Medicaid rate increase.

(2) Lapse of \$14,751,668 is excess authority.

(3) Lapse of \$23,080,601 is excess authority.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****NURSING FACILITY FED REIMB AL**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	PD	0.00	0	0	213,840,231	213,840,231	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>213,840,231</b>	<b>213,840,231</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	PD	0.00	0	0	213,840,231	213,840,231	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>213,840,231</b>	<b>213,840,231</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	PD	0.00	0	0	213,840,231	213,840,231	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>213,840,231</b>	<b>213,840,231</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>NURSING FACILITY FED REIMB AL</b>								
<b>CORE</b>								
PROGRAM DISTRIBUTIONS	193,919,399	0.00	213,840,231	0.00	213,840,231	0.00	213,840,231	0.00
TOTAL - PD	193,919,399	0.00	213,840,231	0.00	213,840,231	0.00	213,840,231	0.00
<b>GRAND TOTAL</b>	<b>\$193,919,399</b>	<b>0.00</b>	<b>\$213,840,231</b>	<b>0.00</b>	<b>\$213,840,231</b>	<b>0.00</b>	<b>\$213,840,231</b>	<b>0.00</b>
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$193,919,399	0.00	\$213,840,231	0.00	\$213,840,231	0.00	\$213,840,231	0.00

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## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

**Program is found in the following core budget(s):** Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides enhanced payments for long-term care for Title XIX participant.*

The NFFRA program assesses nursing facilities in the state a fee for the privilege of doing business in the state. The funds collected by the state are used to fund the MO HealthNet Nursing Facility program and are used as state match for federal funding. In FY 07, approximately 530 nursing facilities were assessed, and an average of 500 nursing facilities participated in the MO HealthNet program and received enhanced reimbursement. The current NFFRA fee is \$8.42 per patient occupancy day.

In FY95, the Nursing Facilities Federal Reimbursement Allowance program was implemented as part of a total restructuring of reimbursement for nursing homes. Reimbursement methodologies were changed to develop a cost component system. The components are patient care, ancillary, administration, and capital. A working capital allowance, incentives and the Nursing Facility Reimbursement Allowance (NFRA) are also elements of the total reimbursement rate. Patient care includes nursing, medical supplies, activities, social services, and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry, and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes five types of costs: rental value, return, computed interest, borrowing costs and pass through expenses. Property insurance and real estate & personal property taxes (the pass through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components times the prime rate plus 2 percent. Incentives are paid to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem are between 60 - 80% of total per diem and an additional amount is allowed for facilities with high MO HealthNet utilization.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.401; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 443, Subpart B

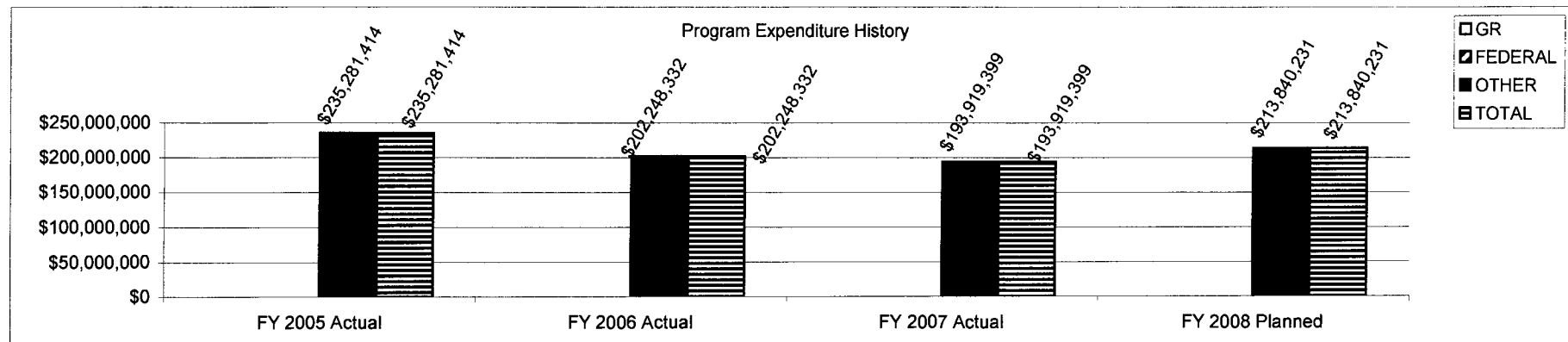
### 3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY08 is a blended 62.22% federal match. The state matching requirement is 37.78%. The nursing facility assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

### 4. Is this a federally mandated program? If yes, please explain.

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Nursing Facility Federal Reimbursement Allowance Fund (0196)

**7a. Provide an effectiveness measure.**

Nursing Facility Occupancy		
SFY	Actual	Projected
2005	72.3%	
2006	72.6%	72.8%
2007	72.5%	72.6%
2008		72.6%
2009		72.6%
2010		72.6%

**7b. Provide an efficiency measure.**

NFRA Tax Assessments Revenues Obtained	
SFY	
2005	140.5 mil
2006	127.7 mil
2007	127.9 mil estimated
2008	
2009	
2010	

**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

Nursing Facility Federal Reimbursement Allowance  
(NFFRA) payments are made on behalf of MO  
HealthNet eligibles for long-term care services.

Average Monthly MO HealthNet Nursing Facility Users		
SFY	Actual	Projected
2005	25,677	24,500
2006	24,842	26,447
2007	24,395	25,000
2008		25,000
2009		25,000
2010		25,000

Paid Patient Days		
SFY	Actual	Projected
2005	8.9 mil	9.1 mil
2006	8.8 mil	9.0 mil
2007	8.5 mil	8.8 mil
2008		8.7 mil
2009		8.7 mil
2010		8.8 mil

**7d. Provide a customer satisfaction measure, if available.**





# FY09 Department of Social Services Report #9

# DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DESE SERVICES</b>								
<b>CORE</b>								
EXPENSE & EQUIPMENT								
TITLE XIX-FEDERAL AND OTHER	1,902,729	0.00	2,125,000	0.00	2,125,000	0.00	2,125,000	0.00
TOTAL - EE	1,902,729	0.00	2,125,000	0.00	2,125,000	0.00	2,125,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	69,954	0.00	69,954	0.00	69,954	0.00	69,954	0.00
TITLE XIX-FEDERAL AND OTHER	29,324,980	0.00	31,174,954	0.00	31,174,954	0.00	31,174,954	0.00
TOTAL - PD	29,394,934	0.00	31,244,908	0.00	31,244,908	0.00	31,244,908	0.00
<b>TOTAL</b>	<b>31,297,663</b>	<b>0.00</b>	<b>33,369,908</b>	<b>0.00</b>	<b>33,369,908</b>	<b>0.00</b>	<b>33,369,908</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>\$31,297,663</b>	<b>0.00</b>	<b>\$33,369,908</b>	<b>0.00</b>	<b>\$33,369,908</b>	<b>0.00</b>	<b>\$33,369,908</b>	<b>0.00</b>



# CORE DECISION ITEM

Department: Social Services

Budget Unit: 90569C

Division: MO HealthNet

Appropriation: Department of Elementary and Secondary Education (DESE) Services

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				
	GR	Federal	Other	Total
PS				
EE		2,125,000		2,125,000
PSD	69,954	31,174,954		31,244,908 E
TRF				
<b>Total</b>	<b>69,954</b>	<b>33,299,954</b>		<b>33,369,908 E</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Notes: An "E" is requested for Federal Fund authority.

FY 2009 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE		2,125,000		2,125,000
PSD	69,954	31,174,954		31,244,908 E
TRF				
<b>Total</b>	<b>69,954</b>	<b>33,299,954</b>		<b>33,369,908 E</b>

FTE 0.00

<b>Est. Fringe</b>	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Notes: An "E" is requested for Federal Fund authority.

## 2. CORE DESCRIPTION

This core request is for the ongoing funding for payments for school-based administrative and school-based EPSDT services.

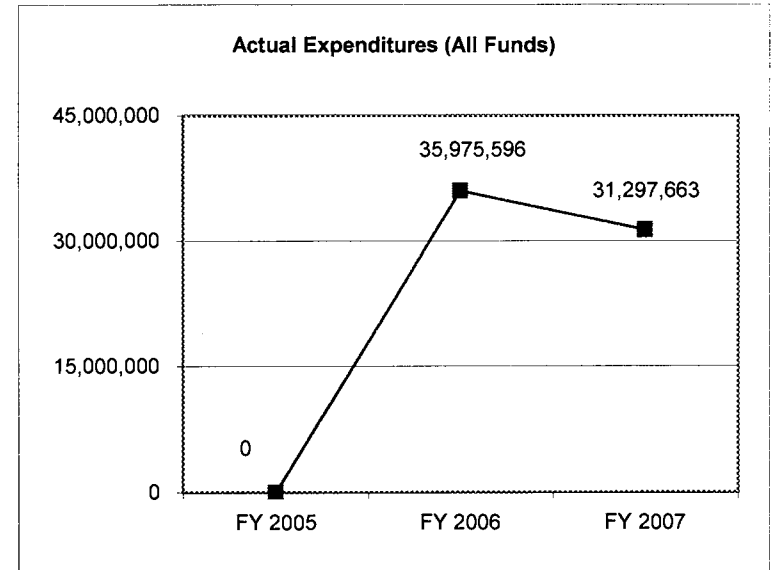
A goal of the MO HealthNet program is for each child to be healthy. The purpose of the services provided by the school is to ensure a comprehensive, preventative health care program for MO HealthNet eligible children. The program provides early and periodic (EPSDT) medical/dental screenings, diagnosis and treatment to correct or improve defects and chronic conditions found during the screenings.

## 3. PROGRAM LISTING (list programs included in this core funding)

DESE Services

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	0	33,369,908	33,369,908	33,369,908 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	33,369,908	33,369,908	N/A
Actual Expenditures (All Funds)	0	35,975,596	31,297,663	N/A
Unexpended (All Funds)	0	(2,605,688)	2,072,245	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	(2,605,688)	2,072,245	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" appropriations for Federal Fund for FY 2006 thru FY 2008.

(1) Funding appropriated in the Department of Elementary and Secondary Education's budget.

(2) Expenditures of \$30,960 were paid from the Supplemental Pool.

(3) Expenditures of \$37,099 were paid from the Supplemental Pool.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****DESE SERVICES**

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**5. CORE RECONCILIATION DETAIL**

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	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>							
	EE	0.00	0	2,125,000	0	2,125,000	
	PD	0.00	69,954	31,174,954	0	31,244,908	
	<b>Total</b>	<b>0.00</b>	<b>69,954</b>	<b>33,299,954</b>	<b>0</b>	<b>33,369,908</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	EE	0.00	0	2,125,000	0	2,125,000	
	PD	0.00	69,954	31,174,954	0	31,244,908	
	<b>Total</b>	<b>0.00</b>	<b>69,954</b>	<b>33,299,954</b>	<b>0</b>	<b>33,369,908</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	EE	0.00	0	2,125,000	0	2,125,000	
	PD	0.00	69,954	31,174,954	0	31,244,908	
	<b>Total</b>	<b>0.00</b>	<b>69,954</b>	<b>33,299,954</b>	<b>0</b>	<b>33,369,908</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>DESE SERVICES</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	1,902,729	0.00	2,125,000	0.00	2,125,000	0.00	2,125,000	0.00
TOTAL - EE	1,902,729	0.00	2,125,000	0.00	2,125,000	0.00	2,125,000	0.00
PROGRAM DISTRIBUTIONS	29,394,934	0.00	31,244,908	0.00	31,244,908	0.00	31,244,908	0.00
TOTAL - PD	29,394,934	0.00	31,244,908	0.00	31,244,908	0.00	31,244,908	0.00
<b>GRAND TOTAL</b>	<b>\$31,297,663</b>	<b>0.00</b>	<b>\$33,369,908</b>	<b>0.00</b>	<b>\$33,369,908</b>	<b>0.00</b>	<b>\$33,369,908</b>	<b>0.00</b>
GENERAL REVENUE	\$69,954	0.00	\$69,954	0.00	\$69,954	0.00	\$69,954	0.00
FEDERAL FUNDS	\$31,227,709	0.00	\$33,299,954	0.00	\$33,299,954	0.00	\$33,299,954	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

## PROGRAM DESCRIPTION

**Department:** Social Services

**Program Name:** Department of Elementary and Secondary Education (DESE)

**Program is found in the following core budget(s):** Department of Elementary and Secondary Education (DESE)

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides funding for payments for school-based administrative services and school-based EPSDT services.*

The Department of Elementary and Secondary Education (DESE) core appropriation provides funding for payment for school-district administrative claiming and school-based EPSDT services consisting of physical, occupational, and speech therapy services and psychology counseling for school age children. An interagency agreement is in place between the MO HealthNet Division and the DESE so that cooperative efforts are utilized to provide the most efficient administration of the school-based EPSDT services for children within the school system. The provision of school-based EPSDT services by DESE expands MO HealthNet EPSDT services and has been determined to be an effective method of coordinating services and improving care associated with providing identified services which are medically necessary and MO HealthNet covered services. The federal share of expenditures for these services provided by DESE are being paid through this appropriation.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The authority for this appropriation is the authority associated with the services reflected above.

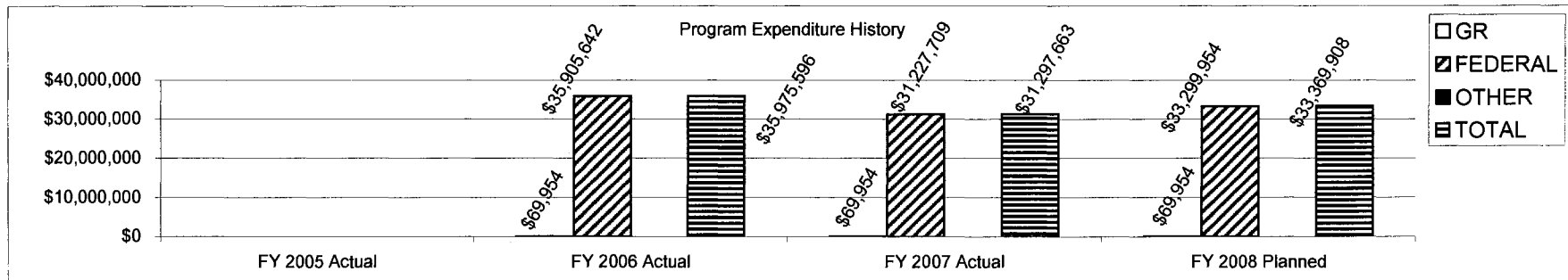
### 3. Are there federal matching requirements? If yes, please explain.

Administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding. States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 08 is a blended 62.22% federal match. The state matching requirement is 37.78%.

### 4. Is this a federally mandated program? If yes, please explain.

No.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



\*FY2005 appropriation transferred to the Department of Elementary and Secondary Education

**6. What are the sources of the "Other " funds?**

N/A

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

**7c. Provide the number of clients/individuals served, if applicable.**

Participating School Districts		
SFY	Actual	Projected
2005	358	
2006	375	
2007	385	380
2008		411
2009		431
2010		441

Eligibles:  
Any school district in the state.

**7d. Provide a customer satisfaction measure, if available.**





# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>STATE MEDICAL</b>									
<b>CORE</b>									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	169,100	0.00	2	0.00	2	0.00	2	0.00	
TOTAL - EE	169,100	0.00	2	0.00	2	0.00	2	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	25,317,393	0.00	26,844,057	0.00	26,844,057	0.00	26,778,219	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	535,223	0.00	535,223	0.00	535,223	0.00	535,223	0.00	
HEALTH INITIATIVES	342,834	0.00	353,437	0.00	353,437	0.00	353,437	0.00	
TOTAL - PD	26,195,450	0.00	27,732,717	0.00	27,732,717	0.00	27,666,879	0.00	
<b>TOTAL</b>	<b>26,364,550</b>	<b>0.00</b>	<b>27,732,719</b>	<b>0.00</b>	<b>27,732,719</b>	<b>0.00</b>	<b>27,666,881</b>	<b>0.00</b>	
<b>Pharmacy PMPM Increase - 1886008</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	1,067,977	0.00	827,837	0.00	
TOTAL - PD	0	0.00	0	0.00	1,067,977	0.00	827,837	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,067,977</b>	<b>0.00</b>	<b>827,837</b>	<b>0.00</b>	
<b>Physicians Services Rate Incr - 1886034</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	2,261,618	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,261,618	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2,261,618</b>	<b>0.00</b>	
<b>Dental Rate Increase - 1886035</b>									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	14,638	0.00	
TOTAL - PD	0	0.00	0	0.00	0	0.00	14,638	0.00	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>14,638</b>	<b>0.00</b>	

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# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>STATE MEDICAL</b>								
<b>SB 16 Comprehensive Eye Exams - 1886041</b>								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	6,087	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	6,087	0.00
TOTAL	0	0.00	0	0.00	0	0.00	6,087	0.00
<b>GRAND TOTAL</b>	<b>\$26,364,550</b>	<b>0.00</b>	<b>\$27,732,719</b>	<b>0.00</b>	<b>\$28,800,696</b>	<b>0.00</b>	<b>\$30,777,061</b>	<b>0.00</b>

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: State Medical Services

Budget Unit: 90585C

## 1. CORE FINANCIAL SUMMARY

	FY 2009 Budget Request			
	GR	Federal	Other	Total
PS				
EE	2			2
PSD	26,844,057		888,660	27,732,717
TRF				
Total	26,844,059		888,660	27,732,719

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiative Fund (HIF) (0275)  
Pharmacy Reimbursement Allowance Fund (0144)

	FY 2009 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE	2			2
PSD	26,778,219		888,660	27,666,879
TRF				
Total	26,778,221		888,660	27,666,881

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiative Fund (HIF) (0275)  
Pharmacy Reimbursement Allowance Fund (0144)

## 2. CORE DESCRIPTION

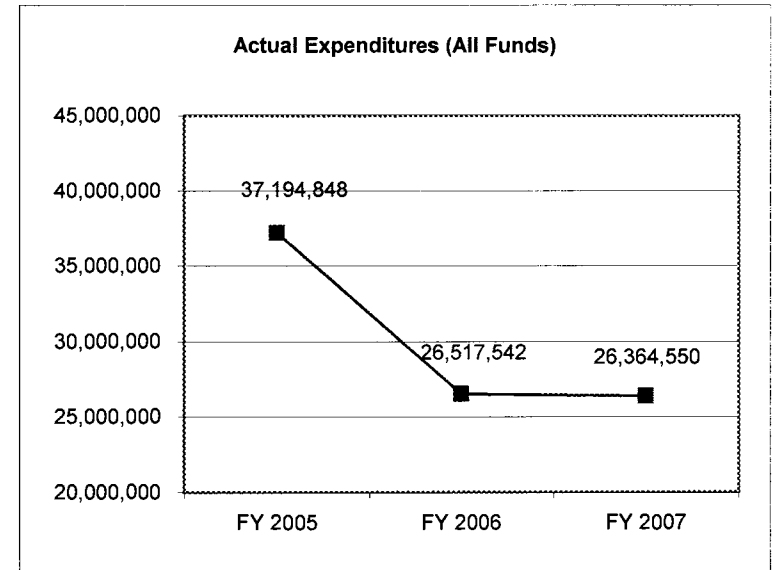
This core request is for the continued funding of the fee-for-service programs for the State Medical eligibles. Funding is necessary to provide health care services to this population.

## 3. PROGRAM LISTING (list programs included in this core funding)

State Medical Services

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	38,339,695	26,528,145	26,375,153	27,732,719
Less Reverted (All Funds)	(10,603)	(10,603)	(10,603)	N/A
Budget Authority (All Funds)	38,329,092	26,517,542	26,364,550	N/A
Actual Expenditures (All Funds)	37,194,848	26,517,542	26,364,550	N/A
Unexpended (All Funds)	1,134,244	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	1,134,244	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

- (1) Lapse of \$846,090 is excess Pharmacy Reimbursement Allowance Funds. Lapse of \$288,154 is excess Health Initiative Funds.
- (2) Expenditures of \$1,438,464 were paid from the Supplemental Pool. SB 539 eliminated the General Relief program.
- (3) Expenditures of \$43,447 were paid from the Supplemental Pool.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES**  
**STATE MEDICAL**

**5. CORE RECONCILIATION DETAIL**

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
<b>TAFP AFTER VETOES</b>							
	EE	0.00	2	0	0	2	
	PD	0.00	26,844,057	0	888,660	27,732,717	
	<b>Total</b>	<b>0.00</b>	<b>26,844,059</b>	<b>0</b>	<b>888,660</b>	<b>27,732,719</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	EE	0.00	2	0	0	2	
	PD	0.00	26,844,057	0	888,660	27,732,717	
	<b>Total</b>	<b>0.00</b>	<b>26,844,059</b>	<b>0</b>	<b>888,660</b>	<b>27,732,719</b>	
<b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b>							
Core Reallocation	2234 6382	PD	0.00	(65,838)	0	(65,838)	Reallocation of MO HealthNet health appraisals to Participant Case Mgmt.
<b>NET GOVERNOR CHANGES</b>			<b>0.00</b>	<b>(65,838)</b>	<b>0</b>	<b>(65,838)</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	EE	0.00	2	0	0	2	
	PD	0.00	26,778,219	0	888,660	27,666,879	
	<b>Total</b>	<b>0.00</b>	<b>26,778,221</b>	<b>0</b>	<b>888,660</b>	<b>27,666,881</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
<b>STATE MEDICAL</b>								
<b>CORE</b>								
PROFESSIONAL SERVICES	169,100	0.00	2	0.00	2	0.00	2	0.00
TOTAL - EE	169,100	0.00	2	0.00	2	0.00	2	0.00
PROGRAM DISTRIBUTIONS	26,195,450	0.00	27,732,717	0.00	27,732,717	0.00	27,666,879	0.00
TOTAL - PD	26,195,450	0.00	27,732,717	0.00	27,732,717	0.00	27,666,879	0.00
<b>GRAND TOTAL</b>	<b>\$26,364,550</b>	<b>0.00</b>	<b>\$27,732,719</b>	<b>0.00</b>	<b>\$27,732,719</b>	<b>0.00</b>	<b>\$27,666,881</b>	<b>0.00</b>
GENERAL REVENUE	\$25,486,493	0.00	\$26,844,059	0.00	\$26,844,059	0.00	\$26,778,221	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$878,057	0.00	\$888,660	0.00	\$888,660	0.00	\$888,660	0.00

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: State Medical**

**Program is found in the following core budget(s): State Medical**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides payment for services for State Medical eligibles. State Medical eligibles are individuals who do not meet categorical criteria for Title XIX.*

The State Medical program, funded solely by state funds, provides health care services for individuals who do not meet categorical eligibility criteria for Title XIX. State Medical participants are in one of four categories of eligibility: Child Welfare Services (CWS); Blind Pension (BP); Presumptive Eligibility for Pregnant Women; or medical care for youth in the custody of the Division of Youth Services (DYS-GR). The unique aspect of the State Medical appropriation is that payments are made for certain eligibility groups only, but for nearly all the same services which are reimbursed for Title XIX eligibles.

All Medical Assistance programs which are available through the Title XIX program are also available through the State Medical program with the exception of the following: Buy-In, HIPP, transplant and NEMT.

Child Welfare Services (CWS) - These eligibles are children who are in the legal care and custody of the Children's Division and have been placed in foster care, but are not eligible for MAF - Foster Care MO HealthNet payments (not eligible for federal Title IV-E through the Children's Division). These children are identified as Homeless, Dependent, and Neglected (HDN), but due to income standards are not eligible for federal Title XIX medical assistance.

Blind Pension (BP) - The Blind Pension program was established in 1921 and is financed entirely by state funds. This program provides assistance for blind persons who do not qualify under the supplemental aid to the blind law and who are not eligible for Supplemental Security Income (SSI) benefits. Each eligible person receives a monthly cash grant (Family Support Division appropriation) and State Medical assistance. In order to qualify for the BP program, a person must meet all of the following eligibility requirements: 18 years of age or older; living in the state; has not given away, sold or transferred real or personal property worth more than \$20,000; is of good moral character; has no sighted spouse living in Missouri who can provide support; does not publicly solicit alms; is determined blind as defined by RSMo. 290.040; is found to be ineligible for Supplemental Aid to the Blind; is willing to have medical treatment or an operation to cure blindness (unless he/she is 75 years of age or older); is not a resident of a public, private, or endowed institution except a public medical institution; and is found ineligible to receive federal Supplemental Security Income (SSI) benefits.

Presumptive Eligibility for Pregnant Women - This is a temporary eligibility program that covers services provided to pregnant women while they wait for formal determination of MO HealthNet eligibility. The participant is State Medical eligible from the time of eligibility rejection to the end of the temporary eligibility period. These participants may receive ambulatory prenatal care to include the following services: physician/clinic, nurse midwife, diagnostic lab and x-ray, pharmacy, and outpatient hospital services.

Division of Youth Services - General Revenue (DYS-GR) - This program covers youth in the legal custody of the Division of Youth Services (DYS) who reside in facilities of 25 beds or more (and thus cannot qualify for MO HealthNet coverage since they reside in an institutional setting). Every youth that is committed to DHS is originally set up in this category for medical coverage. When the residential setting is determined, if the commitment is to a facility of 25 beds or more, then the child remains eligible for DHS-GR. Otherwise, eligibility is established for Title XIX Medicaid for those children committed to facilities with less than 25 beds. Children placed in a not-for-profit residential group facility (RGF) by a juvenile court are MO HealthNet eligible during their term of placement. Children who are placed in such homes by their parent(s), and who are already eligible for MO HealthNet coverage, will continue to receive MO HealthNet benefits while in the group.



**2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State statute: RSMo. 208.151, 208.152, 191.831

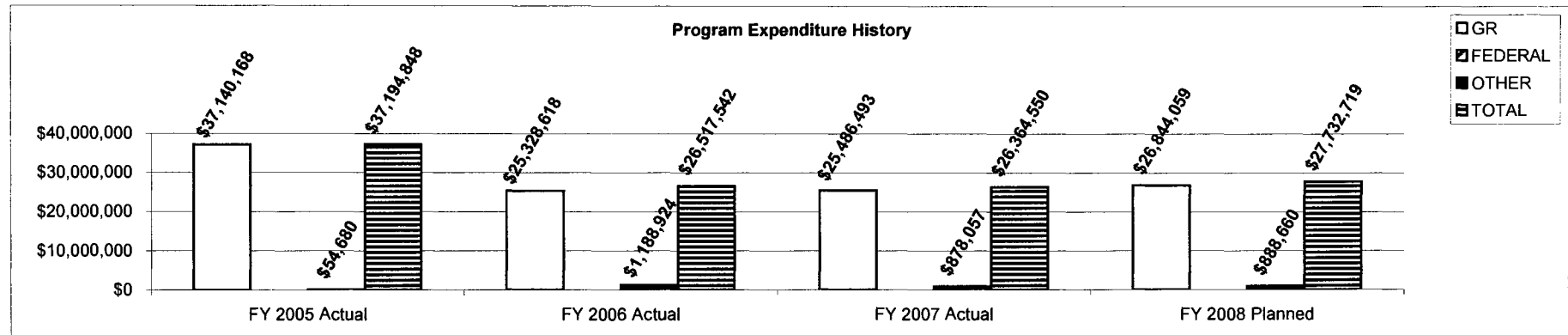
**3. Are there federal matching requirements? If yes, please explain.**

No.

**4. Is this a federally mandated program? If yes, please explain.**

No.

**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



**6. What are the sources of the "Other" funds?**

Health Initiatives Fund (0275) and Pharmacy Federal Reimbursement Allowance Fund (0144).

**7a. Provide an effectiveness measure.**

This appropriation represents a group of eligibles and not one program. Effectiveness measures affecting the State Medical appropriation are incorporated into fee-for-service program sections.

**7b. Provide an efficiency measure.**

This appropriation represents a group of eligibles and not one program. Efficiency measures affecting the State Medical appropriation are incorporated into fee-for-service program sections.

**7c. Provide the number of clients/individuals served, if applicable.**

Eligibles:

Eligibles include Child Welfare Services, Blind Pension, Presumptive Eligibility for Pregnant Women, Division of Youth Services General Revenue

State Medical Recipients by Category								
SFY	Child Welfare Services		Blind Pension		Presumptive Eligibility For Pregnant Women		DYS - GR	
	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected
2005	677	630	2,857	2,839	1,477	0	504	576
2006	610	745	2,898	3,143	1,758	1,580	383	510
2007	641	610	2,922	2,940	1,856	1,952	439	383
2008		641		2,940		1,952		439
2009		641		2,940		1,952		439
2010		641		2,940		1,952		439

**7d. Provide a customer satisfaction measure, if available.**



# FY09 Department of Social Services Report #9

## DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
<b>MO HLTHNET SUPP POOL</b>									
<b>CORE</b>									
<b>EXPENSE &amp; EQUIPMENT</b>									
TITLE XIX-FEDERAL AND OTHER	4,458	0.00	150,000	0.00	150,000	0.00	150,000	0.00	
THIRD PARTY LIABILITY COLLECT	18,579	0.00	150,000	0.00	150,000	0.00	150,000	0.00	
TOTAL - EE	23,037	0.00	300,000	0.00	300,000	0.00	300,000	0.00	
<b>PROGRAM-SPECIFIC</b>									
TITLE XIX-FEDERAL AND OTHER	23,391,781	0.00	23,957,486	0.00	23,957,486	0.00	23,957,486	0.00	
UNCOMPENSATED CARE FUND	0	0.00	1	0.00	1	0.00	1	0.00	
PHARMACY REBATES	0	0.00	1	0.00	1	0.00	1	0.00	
THIRD PARTY LIABILITY COLLECT	7,108,255	0.00	7,421,156	0.00	7,421,156	0.00	7,421,156	0.00	
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	1	0.00	1	0.00	1	0.00	
NURSING FACILITY FED REIM ALLW	0	0.00	181,500	0.00	181,500	0.00	181,500	0.00	
PREMIUM	1,712,702	0.00	3,837,940	0.00	3,837,940	0.00	3,837,940	0.00	
TOTAL - PD	32,212,738	0.00	35,398,085	0.00	35,398,085	0.00	35,398,085	0.00	
<b>TOTAL</b>	<b>32,235,775</b>	<b>0.00</b>	<b>35,698,085</b>	<b>0.00</b>	<b>35,698,085</b>	<b>0.00</b>	<b>35,698,085</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>	<b>\$32,235,775</b>	<b>0.00</b>	<b>\$35,698,085</b>	<b>0.00</b>	<b>\$35,698,085</b>	<b>0.00</b>	<b>\$35,698,085</b>	<b>0.00</b>	

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Appropriation: MO HealthNet Supplemental Pool

Budget Unit: 90582C

## 1. CORE FINANCIAL SUMMARY

FY 2009 Budget Request				FY 2009 Governor's Recommendation			
GR	Federal	Other	Total	GR	Federal	Other	Total
PS				PS			
EE	150,000	150,000	300,000	EE	150,000	150,000	300,000
PSD	23,957,486	11,440,599	35,398,085	PSD	23,957,486	11,440,599	35,398,085
TRF				TRF			
Total	24,107,486	11,590,599	35,698,085	Total	24,107,486	11,590,599	35,698,085
FTE			0.00	FTE			0.00

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Premium Fund (0885)  
Third Party Liability Collections (TPL) (0120)  
Uncompensated Care Fund (UCF) (0108)  
Pharmacy Rebate Fund (0114)  
Federal Reimbursement Allowance (FRA) Fund (0142)  
Nursing Facility Federal Reimbursement Allowance (NFRA) (0196)

Notes: An "E" is requested for Federal Fund, Uncompensated Care Fund \$1, Pharmacy Rebates Fund \$1 and the Federal Reimbursement Allowance Fund \$1.

<b>Est. Fringe</b>	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Premium Fund (0885)  
Third Party Liability Collections (TPL) (0120)  
Uncompensated Care Fund (UCF) (0108)  
Pharmacy Rebate Fund (0114)  
Federal Reimbursement Allowance (FRA) Fund (0142)  
Nursing Facility Federal Reimbursement Allowance (NFRA) (0196)

Notes: An "E" is requested for Federal Fund, Uncompensated Care Fund \$1, Pharmacy Rebates Fund \$1 and the Federal Reimbursement Allowance Fund \$1.

## 2. CORE DESCRIPTION

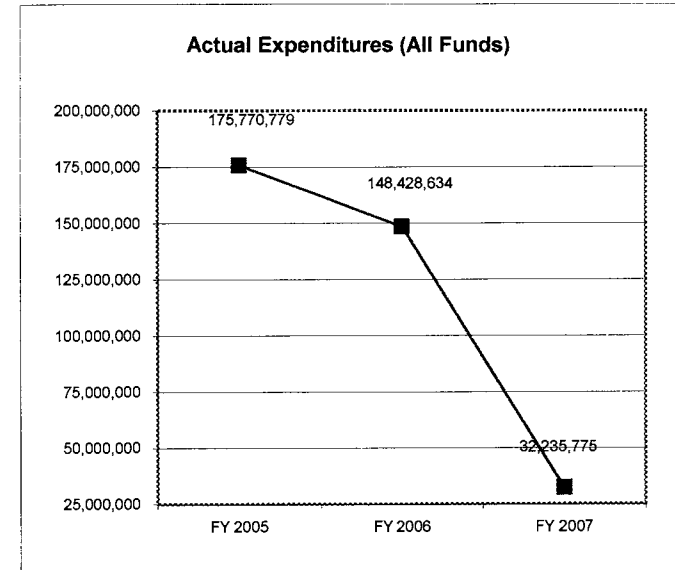
This core request is for the continued funding of the Mo HealthNet Supplemental Pool. The Supplemental Pool is needed to enable the division to respond to unanticipated changes in the cost of providing health care to MO HealthNet participants.

## 3. PROGRAM LISTING (list programs included in this core funding)

Supports MO HealthNet Program

#### 4. FINANCIAL HISTORY

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Current Yr.
Appropriation (All Funds)	300,979,620	148,640,304	35,698,085	35,698,085 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	300,979,620	148,640,304	35,698,085	N/A
Actual Expenditures (All Funds)	175,770,779	148,428,634	32,235,775	N/A
Unexpended (All Funds)	125,208,841	211,670	3,462,310	N/A
Unexpended, by Fund:				
General Revenue	5,430,992	0	0	N/A
Federal	77,332,395	211,670	711,247	N/A
Other	42,445,454	0	2,751,063	N/A
	(1)		(3)	
	(2)			



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

#### NOTES:

Estimated "E" for UCF, Pharmacy Rebates Fund, FRA and Federal Fund. "E" is for FY 2005 through FY 2008.

(1) FY05 unexpended includes \$85 million (\$33 million in IGT and \$52 million Federal funds) disproportionate share hospital maximization. The cash was earned in another manner.

(2) Lapsed authority appropriated for Medicaid program expenditures was \$5.4 million GR; \$6.1 million Third Party Liability and \$21.3 million Federal funds.

(3) Excess Premium Fund authority - \$2,125,238.

#### 4. FINANCIAL HISTORY

##### Supplemental Pool Payments By Services

	FY 2005	FY 2006	FY 2007
Pharmacy	\$5,079,767	\$408	\$0
Physician	\$66,614,598	\$27,623,367	\$139,636
Dental	\$5,246,342	\$13,229,886	\$1,149,629
Premium Payments	\$6,926,710	\$0	\$0
Home & Community Based Services	\$0	\$0	\$0
Nursing Facilities	\$10,488,972	\$30,673,390	\$0
Telephone Reassurance	\$2,097	\$1,372	\$0
Rehab & Specialty Services	\$21,784,471	\$22,835,407	\$3,017,949
Non-Emergency Medical Transportation	\$0	\$5,560,656	\$0
Managed Care	\$4,447,408	\$0	\$0
Hospital Care	\$24,843,767	\$46,150,882	\$27,848,015
1115 Waiver - Adults	\$0	\$0	\$0
1115 Waiver - Children	\$3,399,176	\$0	\$0
DESE Services	\$25,852	\$30,960	\$37,099
State Medical	\$0	\$1,438,464	\$43,447
Pharmacy Enhancement Admin	\$0	\$881,963	\$0
Total	\$148,859,160	\$148,426,755	\$32,235,775



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES****MO HLTHNET SUPP POOL**

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**5. CORE RECONCILIATION DETAIL**

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	<b>Budget Class</b>	<b>FTE</b>	<b>GR</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>	<b>Explanation</b>
<b>TAFP AFTER VETOES</b>							
	EE	0.00	0	150,000	150,000	300,000	
	PD	0.00	0	23,957,486	11,440,599	35,398,085	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>24,107,486</b>	<b>11,590,599</b>	<b>35,698,085</b>	
<b>DEPARTMENT CORE REQUEST</b>							
	EE	0.00	0	150,000	150,000	300,000	
	PD	0.00	0	23,957,486	11,440,599	35,398,085	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>24,107,486</b>	<b>11,590,599</b>	<b>35,698,085</b>	
<b>GOVERNOR'S RECOMMENDED CORE</b>							
	EE	0.00	0	150,000	150,000	300,000	
	PD	0.00	0	23,957,486	11,440,599	35,398,085	
	<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>24,107,486</b>	<b>11,590,599</b>	<b>35,698,085</b>	

# FY09 Department of Social Services Report #10

## DECISION ITEM DETAIL

Budget Unit	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009	FY 2009	FY 2009
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MO HLTHNET SUPP POOL								
CORE								
PROFESSIONAL SERVICES	23,037	0.00	300,000	0.00	300,000	0.00	300,000	0.00
TOTAL - EE	23,037	0.00	300,000	0.00	300,000	0.00	300,000	0.00
PROGRAM DISTRIBUTIONS	32,212,738	0.00	35,398,085	0.00	35,398,085	0.00	35,398,085	0.00
TOTAL - PD	32,212,738	0.00	35,398,085	0.00	35,398,085	0.00	35,398,085	0.00
GRAND TOTAL	\$32,235,775	0.00	\$35,698,085	0.00	\$35,698,085	0.00	\$35,698,085	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$23,396,239	0.00	\$24,107,486	0.00	\$24,107,486	0.00	\$24,107,486	0.00
OTHER FUNDS	\$8,839,536	0.00	\$11,590,599	0.00	\$11,590,599	0.00	\$11,590,599	0.00

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## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: MO HealthNet Supplemental Pool**

**Program is found in the following core budget(s): MO HealthNet Supplemental Pool**

### 1. What does this program do?

*PROGRAM SYNOPSIS: Provides funding for the division to respond to unanticipated changes in the cost of providing health care to MO HealthNet participants.*

The MO HealthNet Supplemental Pool Section was the result of rapidly expanding MO HealthNet eligibles and unpredictability of resulting costs. Substantial supplemental budget requests in successive years prompted the Missouri state legislature to appropriate funding for unanticipated MO HealthNet expenditures. Typically, the supplemental pool has been utilized by the legislature to appropriate funding under certain unique circumstances. These include funding for major one-time program expenditures, such as residual claims, and funding to be made available for unanticipated fee-for-service and/or managed care expenditures.

### 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The legal authority for the Supplemental Pool is the authority associated with each MO HealthNet program. See each program description for the specific federal and state authority.

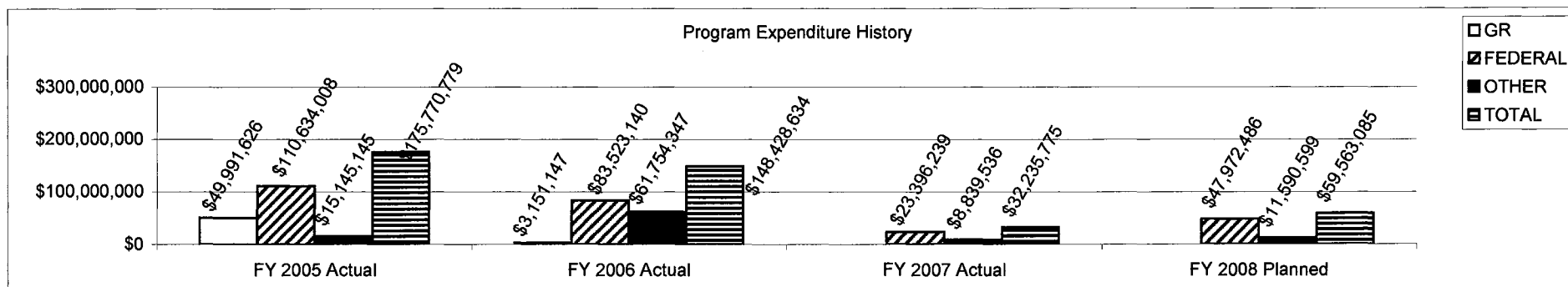
### 3. Are there federal matching requirements? If yes, please explain.

The federal matching requirements for the MO HealthNet Supplemental Pool are the requirements associated with any of the HealthNet programs paid from the supplemental pool. See each program description for specific federal matching requirements.

### 4. Is this a federally mandated program? If yes, please explain.

The MO HealthNet Supplemental Pool supports both mandated and non-mandated programs. See each program description for specifics.

### 5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Note: FY 2008 federal fund expenditures include \$23.9 million for Insure Missouri Phase I

**6. What are the sources of the "Other" funds?**

Third Party Liability Collections Fund (0120), Premium Fund (0885), Nursing Facility Federal Reimbursement Allowance Fund (0196), Uncompensated Care Fund (0108), Pharmacy Rebates Fund (0114) and Federal Reimbursement Allowance Fund (0142).

**7a. Provide an effectiveness measure.**

This appropriation represents a group of eligibles and not one program. Effectiveness measures affecting the MO HealthNet Supplemental Pool appropriation are incorporated into fee-for-service program sections.

**7b. Provide an efficiency measure.**

This appropriation represents a group of eligibles and not one program. Efficiency measures affecting the MO HealthNet Supplemental Pool appropriation are incorporated into fee-for-service program sections.

**7c. Provide the number of clients/individuals served, if applicable.**

Supplemental Pool Expenditures		
SFY	Actual	Projected
2005	\$175.8 mil	\$35.7 mil
2006	\$148.4 mil	\$35.7 mil
2007	\$32.2 mil	\$35.7 mil
2008		\$35.7 mil
2009		\$35.7 mil
2010		\$35.7 mil

(Excludes UPL maximization transactions)

**7d. Provide a customer satisfaction measure, if available.**